School Jurisdictions

Audited Financial Statements
For the Year Ended August 31, 2004

Section 3
New Horizons Charter School Society
to Wolf Creek School Division No. 72

Alberta
2005
Alberta Centennial

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School Jurisdictions

Audited Financial Statements
For the Year Ended August 31, 2004

Section 3
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Alberta

2005
Alberta Centennial

School Jurisdictions Audited Financial Statements
For the Year Ended August 31, 2004 - Section 3

Alberta
EDUCATION

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School Jurisdictions
Audited Financial Statements

Table of Contents – Section III

Section I – School Jurisdictions A-E

Section I of this report is published under separate cover. It provides the audited financial statements for the year ended August 31, 2004 submitted by school jurisdictions whose legal name begins with the letters A through to E inclusive.

Page

Almadina School Society 1
Aspen View Regional Division No. 19 17
Aurora School Ltd. 37
Battle River Regional Division No. 31 55
Black Gold Regional Division No. 18 75
Boyle Street Education Centre 95
Buffalo Trail Public Schools Regional Division No. 28 113
Calgary Arts Academy Society 135
Calgary Girls School Society 151
Calgary Roman Catholic Separate School District No. 1 169
Calgary School District No. 19 191
Calgary Science School Society 219
Canadian Rockies Regional Division No. 12 237
CAPE - Centre for Academic and Personal Excellence Institute 255
Chinook's Edge School Division No. 73 275
Christ the Redeemer Catholic Separate Regional Division No. 3 295
Clearview School Division No. 71 317
East Central Alberta Catholic Separate Schools Regional Division No. 16 337
East Central Francophone Education Region No. 3 355
Edmonton Catholic Separate School District No. 7 375
Edmonton School District No. 7 395
Elk Island Catholic Separate Regional Division No. 41 415
Elk Island Public Schools Regional Division No. 14 433
Evergreen Catholic Separate Regional Division No. 2 457

Section II – School Jurisdictions F-M

Section II of this report is published under separate cover. It provides the audited financial statements for the year ended August 31, 2004 submitted by school jurisdictions whose legal name begins with the letters F through to M inclusive.

	Page
FFCA Charter School Society	475
Foothills School Division No. 38	493
Fort McMurray Roman Catholic Separate School District No. 32	513
Fort McMurray School District No. 2833	533
Fort Vermilion School Division No. 52	557
Golden Hills School Division No. 75	579
Grande Prairie Roman Catholic Separate School District No. 28	601
Grande Prairie School District No. 2357	621
Grande Yellowhead Regional Division No. 35	641
Grasslands Regional Division No. 6	661
Greater North Central Francophone Education Region No. 2	679
Greater Southern Public Francophone Education Region No. 4	699
Greater Southern Separate Catholic Francophone Education Region No. 4	717
Greater St. Albert Catholic Regional Division No. 29	735
High Prairie School Division No. 48	755
Holy Family Catholic Regional Division No. 37	775
Holy Spirit Roman Catholic Separate Regional Division No. 4	793
Horizon School Division No. 67	813
Lakeland Roman Catholic Separate School District No. 150	831
Lethbridge School District No. 51	851
Living Waters Catholic Regional Division No. 42	871
Livingstone Range School Division No. 68	889
Medicine Hat Catholic Separate Regional Division No. 20	907
Medicine Hat School District No. 76	927
Moberly Hall School Society	951
Mother Earth's Children's Charter School Society	967

Section III – School Jurisdictions N-Z

For the Year ended August 31, 2004

Page

New Horizons Charter School Society 985
Northern Gateway Regional Division No. 10 1003
Northern Lights School Division No. 69 1025
Northland School Division No. 61 1045
Northwest Francophone Education Region No. 1 1065
Palliser Regional Division No. 26 1085
Parkland School Division No. 70 1103
Peace River School Division No. 10 1125
Peace Wapiti Regional Division No. 33 1143
Pembina Hills Regional Division No. 7 1161
Prairie Land Regional Division No. 25 1187
Prairie Rose Regional Division No. 8 1205
Red Deer Catholic Regional Division No. 39 1225
Red Deer School District No. 104 1245
Rocky View School Division No. 41 1265
St. Albert Protestant Separate School District No. 6 1283
St. Paul Education Regional Division No. 1 1303
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 1323
Sturgeon School Division No. 24 1343
Suzuki Charter School Society 1361
Westmount Charter School Society 1381
Westwind School Division No. 74 1401
Wetaskiwin Regional Division No. 11 1417
Wild Rose School Division No. 66 1437
Wolf Creek School Division No. 72 1455

School Jurisdiction Code: 6015

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

NEW HORIZONS CHARTER SCHOOL SOCIETY
Legal Name of School Jurisdiction

3 SPRUCE AVENUE, SHERWOOD PARK, ALBERTA T8A 2B6
Mailing Address

(780) 467-6409 AND (780) 417-1786
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules NEW HORIZONS CHARTER SCHOOL SOCIETY
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Kevin Dodds	"Original Signed"
Name	Signature

SUPERINTENDENT

Dale Erickson	"Original Signed"
Name	Signature

SECRETARY TREASURER OR TREASURER

G. (Fred) de Kleine	"Original Signed"
Name	Signature

11/16/2004 - Revised March 15, 2005
Board-approved Release Date

c.c. ALBERTA LEARNING, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

J. P. Vleeming Professional Corporation
Chartered Accountant

AUDITOR'S REPORT

To the Board of Directors of
NEW HORIZONS CHARTER SCHOOL SOCIETY,

I have audited the statement of financial position of the New Horizons Charter School Society as at August 31, 2004, and the statement of revenue and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material aspects, the financial position of the Society as at August 31, 2004 and the results of its operations, changes in cash flows and net assets for the year then ended, in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Chartered Accountant

Sherwood Park, Alberta
October 23, 2004
March 15, 2005

325 Estate Drive, Sherwood Park, Alberta T8B 1L8 Telephone (780) 449-6143 Fax (780) 417-2075

School Jurisdiction Code: 6015

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 Restated
ASSETS			
Current assets			
Cash and temporary investments		$316,630	$245,331
Accounts receivable (net after allowances)		$53,835	$39,818
Prepaid expenses		$14,327	$10,668
Other current assets		$0	$0
Total current assets		$384,792	$295,816
School generated assets		$5,755	$6,565
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$390,547	$302,381
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$98,447	$23,731
Deferred revenue		$102,950	$52,032
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$201,397	$75,763
School generated liabilities		$5,755	$6,565
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$0	$0
Less: Current portion of supported debt		$0	$0
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$5,755	$6,565
TOTAL LIABILITIES		$207,152	$82,328
NET ASSETS			
Unrestricted net assets		$85,327	$124,394
Operating Reserves		$19,937	$22,893
Accumulated Operating Surplus (Deficit)		$105,264	$147,287
Investment in capital assets		$0	$0
Capital Reserves		$78,131	$72,765
Total Capital Funds		$78,131	$72,765
Total net assets		$183,395	$220,052
TOTAL LIABILITIES AND NET ASSETS		$390,547	$302,381

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 6015

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$848,733	$819,193	$718,766
Alberta Infrastructure	$235,275	$162,072	$141,317
Alberta Finance	$0	$0	$0
Other Government of Alberta	$1,411	$0	$330
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$16,722	$16,838	$14,793
Transportation fees	$0	$0	$0
Other sales and services	$0	$0	$0
Investment income	$5,717	$4,100	$5,045
Gifts and donations	$0	$0	$0
Rentals of facilities	$5,292	$4,500	$6,130
Net school generated funds	$0	$16,691	$3,966
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$1,113,149	$1,023,394	$890,345
EXPENSES			
Certificated salaries	$534,806	$476,434	$421,926
Certificated benefits	$51,672	$71,700	$46,626
Uncertificated salaries and wages	$63,821	$75,696	$44,430
Uncertificated benefits	$6,727	$7,600	$4,026
Services, contracts and supplies	$491,894	$320,462	$300,415
Net school generated funds	$0	$16,691	$3,966
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$6,608
Total Amortization of capital assets	$0	$0	$6,608
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total interest on capital debt	$0	$0	$0
Other interest charges	$886	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$1,149,807	$968,583	$827,997
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($36,658)	$54,811	$62,348
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($36,658)	$54,811	$62,348

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 6015

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($36,658)	$62,348
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$6,608
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($14,018)	($29,096)
Prepaids and other current assets	($3,659)	$8,135
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$74,716	$4,182
Deferred revenue	$50,918	$42,462
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$71,299	$94,640
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	$0
Net sources (uses) of cash equivalents* during year	$71,299	$94,640
Cash Equivalents at the beginning of the year	$245,331	$150,691
Cash Equivalents at the end of the year	$316,630	$245,331

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

School Jurisdiction Code: 6015

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
				TOTAL	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$219 862	$0	$124 004	$95,658	$0	$0	$0	$72,765	$20,323	$0	$2,570	$0	$0	$0
Prior period adjustments (describe)														
Write-Off Accounts Receivables	($90)	$0	($90)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Write-Off Accounts Payables	$480	$0	$480	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$220,052	$0	$124,394	$95,658	$0	$0	$0	$72,765	$20,323	$0	$2,570	$0	$0	$0
Surplus(def) of revenue over expenses	($36,658)		($36,658)											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$2 956	($2 956)	$0		$0		($4,569)		$1,613		$0	
Net transfers to capital reserves			($5,365)	$5,365		$0		$5,365		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$183 395	$0	$85 327	$98 068	$0	$0	$0	$78 131	$15 754	$0	$4 183	$0	$0	$0

School Jurisdiction Code: 6015

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2004		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

NEW HORIZONS CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2004

---

1. Purpose of the Society

The Society delivers education programs under the authority of the School Act, Chapter S-3, Revised Statutes of Alberta, 2000. The society is registered under the Societies Act.

The Society receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The Society is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Significant Accounting Policy

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

A. Revenue Recognition

Instruction and support funding allocations are recognized as revenue in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

B. Capital Assets

Only capital assets with costs in excess of $5,000 are capitalized in the current year. Any capital allocations received for asset additions are amortized over the same period as the related asset.

2. Significant Accounting Policy (Continued)

C. School Generated Funds

These are funds in the community, which come under the control and the responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees etc.) The unused funds are deferred to the subsequent year in accordance with the Task Force Report on School Board Reporting in Alberta.

D. Contributed Services

Volunteers contribute a considerable number of hours per year to the Society to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

E. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Directors of the jurisdiction, or externally, to set aside funds for operating and future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Short-term Investments	2004	2003
Province of British Columbia Bond	**$75,153**	$71,003
Guaranteed Investment Certificate #1	**72,682**	71,905
Guaranteed Investment Certificate #2	**25,000**	0
	$172,835	$142,908

The strip bond has an internal rate of return of 5.69% if held to its maturity date of November 19, 2006.

GIC #1 generates interest at a rate of 1.75% per annum and matures on April 25, 2005.

GIC #2 generates interest at a rate of prime less 2.75% per annum and matures on February 18, 2005.

4. Accounts and Grants Receivable

	2004	2003
Alberta Infrastructure	**$45,948**	$30,361
Goods and Services Tax	**7,030**	8,592
Other	**857**	864
	$53,835	$39,817

5. Accounts Payable and Accrued Liabilities

	2004	2003
Accounts Payable and Accrued Liabilities	**$98,447**	$9,329
Bonus Payable to Staff	**0**	14,400
	$98,447	$23,729

6. Deferred Revenue

	2004	2003
Alberta Infrastructure	**$102,896**	$51,690
Resource Fees	**54**	342
	$102,950	$52,032

NEW HORIZONS CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2004

7. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Directors for future operating and capital expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	2004	2003
Operating Reserves		
Board and System Administration	**$15,754**	$20,323
Transportation	**4,183**	2,570
	$19,937	$22,893
Capital Reserve		
Building - Unsupported	**$78,130**	$72,765

8. Operating Lease Commitment

The Charter School has leased a photocopier. The photocopier is leased at $1,091 per quarter and expires in May, 2007. The future minimum annual payments as of August 31, 2004 under the operating lease are:

2005	**$4,367**
2006	**4,367**
2007	**3,274**
	$12,008

9. Net School Generated Assets

	2004	2003
Balance, Beginning of Year	**$6,565**	$3,966
Plus: Sources of School Generated Funds	**18,375**	26,733
	24,940	30,699
Less: Application of School Generated Funds	**19,185**	24,134
Balance, End of Year	**$5,755**	$6,565

10. Financial Instruments

A. Interest Risk

The Society's revenues are exposed to financial risk that arises from fluctuations in interest rates and the degree of volatility of these rates. The Society does not use derivative instruments to reduce its exposure to interest risk.

B. Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from customers. However, the Society has not incurred significant bad debts in the past three years.

C. Fair Value of Financial Instruments

The fair value of the Society financial instruments approximates their carrying value.

11. Economic Dependence on Related Third Party

The Society's primary source of income is form the Alberta Government. The Society's ability to continue viable operations is dependant on this funding.

12. Budgeted Amounts

The budget was prepared by the Society's management, and approved by the Board of Directors on December 16, 2003. It is presented for information purposes only and has not been audited.

13. Comparative Figures

The actual 2003 comparative figures have been reclassified where necessary to conform to actual 2004 presentation. The 2003 comparative numbers were audited by another Chartered Accountant.

School Jurisdiction Code: 6015

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$735,382	$78,200	$657,182						
(2) Support block	$62,336				$11,336			$51,000	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$14,880		$14,880						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$31,000	$1,205	$29,795					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$5,135	$0	$5,135	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$848,733	$79,405	$706,992	$0	$11,336			$51,000	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$0			$0					
(13) Operations & Maintenance support	$218,086			$218,086					
(14) Operations & Maintenance support (One-Time)	$17,189			$17,189					
(15) **Total Alberta Infrastructure Revenue**	$235,275			$235,275					
(16) **Alberta Finance**	$0			$0					$0
(17) **Other - Government of Alberta**	$1,411	$0	$0	$1,411	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$16,722	$1,026	$15,696						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$0	$0	$0	$0	$0			$0	$0
(25) **Investment income**	$5,717	$0	$1,567	$4,150	$0			$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$5,292		$5,292	$0	$0			$0	$0
(28) **Net school generated funds**	$0	$0	$0	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$1,113,149	$80,431	$729,546	$240,836	$11,336			$51,000	$0
EXPENSES									
(32) **Certificated salaries**	$534,806	$20,614	$514,192				$0	$0	$0
(33) **Certificated benefits**	$51,672	$2,726	$48,946				$0	$0	$0
(34) **Uncertificated salaries and wages**	$63,821	$7,152	$56,670	$0	$0	$0	$0	$0	$0
(35) **Uncertificated benefits**	$6,727	$478	$6,249	$0	$0	$0	$0	$0	$0
(36) **SUB - TOTAL**	$657,027	$30,970	$626,057	$0	$0	$0	$0	$0	$0
(37) **Services, contracts & supplies**	$491,894	$4,363	$177,394	$235,471	$9,723	$0	$64,943	$64,943	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$0	$0	$0	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$886	$0	$0	$0	$0		$886	$886	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$1,149,807	$35,333	$803,451	$235,471	$9,723	$0	$65,829	$65,829	$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($36,658)	$45,098	($73,905)	$5,365	$1,613			($14,829)	$0

School Jurisdiction Code: 6015

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$389,945	$124,247	$0	$0	$0	$0	$0	$514,192
Certificated benefits	$44,325	$4,622	$0	$0	$0	$0	$0	$48,946
Uncertificated salaries and wages	$15,051	$25,004	$0	$0	$16,615	$0	$0	$56,670
Uncertificated benefits	$1,004	$4,176	$0	$0	$1,068	$0	$0	$6,249
SUB - TOTAL REMUNERATION	$450,325	$158,049	$0	$0	$17,683	$0	$0	$626,057
Services, contracts & supplies	$141,424	$19,261	$0	$0	$1,829	$14,880	$0	$177,394
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$0							$0
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$591,749	$177,310	$0	$0	$19,512	$14,880	$0	$803,451
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	1.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$601,290	$49,264	$6,858	$0	$657,412	$441,717	$215,695
School Admin & Instruction Support Expenses						$177,310	($177,310)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$601,290	$49,264	$6,858	$0	$657,412	$619,027	$38,386
Sub-Programs & Initiatives							
Severely Disabled	$26,764	$0	$0		$26,764	$19,512	$7,252
English as a Second Language	$0				$0	$0	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$6,427				$6,427		$6,427
Teacher Assistants Program	$4,588				$4,588	$8,289	($3,701)
Early Literacy Initiative (K-2)	$11,056				$11,056	$10,824	$232
Learning Resources Credit & Resources for the Classroom	$427	$547	$15,696		$16,669	$20,121	($3,452)
Technology Integration	$5,940		$0		$5,940	$83,028	($77,088)
French Language Program & Francisation (all jurisdictions)	$691		$0		$691	$42,650	($41,960)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$55,892		$15,696		$72,134	$184,424	($112,290)
INSTRUCTION, GRADES 1-12	$657,182	$49,810	$22,554	$0	$729,546	$803,451	($73,905)

School Jurisdiction Code: 6015

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$729,442
Support Block - Transportation	$11,336
SUBTOTAL	$740,778
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$218,086
Teacher Salary Enhancement	$31,000
Other Alberta Learning revenues (Describe) Resources for the Classroom	$547
Other - Government of Alberta (Excluding Alberta Finance)	$1,411
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$0
Interest on investments	$5,717
Rentals of facilities	$5,292
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$18,165
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$1,020,996**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1-12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$61,260
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	51,000	$61,260
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$61,260**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$65,829
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$4,569
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$61,260
Maximum Expense Limit for Board & System Administration (Step 3)	$61,260
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 6015

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$6,565
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$18,165	
Less: SGF - related cost recoveries (Note 3)	$19,185	
- capitalized at the District level (Note 4)	$0	
Net Total	($1,020)	
Plus: Donations Received (Note 5)	$210	
Equals: Net Additions to SGF		($810)
Net SGF Available for discretionary spending		$5,755
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$0
Unexpended SGF - Closing Balance August 31, 2004		$5,755

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 6015

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$35,913	$138,492	$0	$0	$358	$174,763		$174,763
Supplies	$2,053	$15,644	$0	$0	$0	$17,696		$17,696
Electricity			$15,440			$15,440		$15,440
Natural Gas/Heating Fuel			$13,499			$13,499		$13,499
Sewer and Water			$3,993			$3,993		$3,993
Telecommunications			$0			$0		$0
Insurance					$10,080	$10,080		$10,080
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$37,966	$154,135	$32,932	$0	$10,438	$235,471	$0	$235,471
SQUARE METRES								
School Buildings								1,428.1
Non School Buildings								0.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	1.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 6015

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Ridgway, Ken	0.8	$0	$0	$0			$0	$0
Name	Vanwieren, Nicole	0.2	$0	$0	$0			$0	$0
Other Board Members:									
Name	Diederichs, Peter	0.8	$0	$0	$0			$0	$0
Name	Dodds, Jane	0.2	$0	$0	$0			$0	$0
Name	Dodds, Kevin	0.8	$0	$0	$0			$0	$0
Name	Gauthier, Cindy	0.3	$0	$0	$0			$0	$0
Name	Horton, Nancy	0.2	$0	$0	$0			$0	$0
Name	Kozsan, Lorelei	1.0	$0	$0	$0			$0	$0
Name	Ljuden, Carol	0.8	$0	$0	$0			$0	$0
Name	Matichuk, Allison	0.2	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		5.4	$0	$0	$0			$0	$0
Superintendent	Welch, Gordon	0.1	$3,169	$0	$0	$0	$0	$3,169	$44
Superintendent	Erickson, Dale	0.3	$13,850	$0	$0	$0	$0	$13,850	$391
Secretary/Treasurer	de Kleine, G. (Fred)	0.3	$20,000	$0	$0	$0	$0	$20,000	$1,318
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		9.3	$534,806	$51,672	$0	$0	$0	$586,478	
Uncertificated Salaries & Wages		2.5	$63,821	$6,727	$0	$0	$0	$70,548	
TOTALS			**$635,646**	**$58,399**	**$0**	$0	**$0**	**$694,045**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

Note: The positions of Superintendent and Secretary/Treasurer are contracted services and are recorded as such on Schedule A L47

School Jurisdiction Code: 2275

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northern Gateway Regional Division No. 10
Legal Name of School Jurisdiction

4104 Kepler Street, Box 840, Whitecourt, Alberta, T7S 1M8
Mailing Address

(780) 778-2800 **(780) 778-6719**
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northern Gateway Regional Division No. 10
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Warren Bruleigh	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Eugene J. Miller	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Michael Gramatovich	"ORIGINAL SIGNED"
Name	Signature

26-Oct-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Clews & Shoemaker
CHARTERED ACCOUNTANTS
Graham Rex Clews Professional Corporation ✦ John S. Shoemaker Professional Corporation

AUDITOR'S REPORT

To the Board of Trustees of the Northern Gateway Regional Division No. 10

We have audited the statement of financial position of Northern Gateway Regional Division No. 10 as at August 31, 2004, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Northern Gateway Regional Division No. 10 as at August 31, 2004, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clews & Shoemaker

CHARTERED ACCOUNTANTS

Westlock, Alberta
October 20, 2004

School Jurisdiction Code: 2275

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$563,012	$1,333,875
Accounts receivable (net after allowances)		$2,127,176	$2,588,719
Prepaid expenses		$355,973	$340,406
Other current assets		$0	$0
Total current assets		$3,046,161	$4,263,000
School generated assets		$897,845	$874,489
Trust assets		$224,813	$267,007
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$2,201,271	$1,382,484
Buildings	$63,481,832		
Less: accumulated amortization	($14,573,848)	$48,907,984	$50,418,217
Equipment	$2,604,891		
Less: accumulated amortization	($1,883,335)	$721,556	$968,477
Vehicles	$3,363,683		
Less: accumulated amortization	($1,595,163)	$1,768,520	$1,876,831
Total capital assets		$53,599,332	$54,646,009
TOTAL ASSETS		$57,768,150	$60,050,505
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,009,648	$1,492,420
Deferred revenue		$672,012	$693,263
Deferred capital allocations		$42,136	$37,152
Current portion of all long term debt		$1,261,024	$1,394,213
Total current liabilities		$2,984,820	$3,617,048
School generated liabilities		$897,845	$874,489
Trust liabilities		$224,813	$267,007
Employee future benefits liability		$98,377	$133,512
Long term debt			
Supported: Debentures and other supported debt		$7,574,875	$8,800,343
Less: Current portion of supported debt		($1,078,610)	($1,225,468)
Unsupported: Debentures and Capital Loans		$569,408	$738,135
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($182,414)	($168,745)
Unamortized capital allocations		$38,321,999	$38,384,047
Total long term liabilities		$46,426,292	$47,803,320
TOTAL LIABILITIES		$49,411,112	$51,420,368
NET ASSETS			
Unrestricted net assets		$489,458	$499,458
Operating Reserves		$630,945	$1,361,795
Accumulated Operating Surplus (Deficit)		$1,120,403	$1,861,253
Investment in capital assets		$7,133,050	$6,723,487
Capital Reserves		$103,583	$45,398
Total Capital Funds		$7,236,633	$6,768,885
Total net assets		$8,357,036	$8,630,138
TOTAL LIABILITIES AND NET ASSETS		$57,768,149	$60,050,506

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$36,646,023	$36,310,287	$35,968,581
Alberta Infrastructure	$4,261,071	$3,799,874	$4,858,904
Alberta Finance	$856,434	$856,388	$987,972
Other Government of Alberta	$86,623	$6,250	$85,821
Federal Government and/or First Nations	$1,004,500	$1,046,254	$1,132,572
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$27,044	$17,044	$16,116
Instruction resource fees	$235,487	$236,079	$234,322
Transportation fees	$33,995	$20,000	$22,918
Other sales and services	$50,091	$93,233	$70,501
Investment income	$79,486	$103,751	$111,804
Gifts and donations	$32,012	$0	$76,061
Rentals of facilities	$161,981	$95,649	$145,129
Net school generated funds	$1,052,425	$892,456	$916,105
Gains on disposal of capital assets	$13,908	$0	$0
Amortization of capital allocations	$1,535,815	$1,533,577	$1,483,332
Total Revenues	$46,076,895	$45,010,842	$46,110,138
EXPENSES			
Certificated salaries	$21,680,399	$21,443,677	$20,994,904
Certificated benefits	$2,333,723	$2,274,806	$2,334,016
Uncertificated salaries and wages	$6,955,676	$6,345,750	$6,534,924
Uncertificated benefits	$1,491,684	$1,392,829	$1,370,606
Services, contracts and supplies	$10,307,348	$10,153,624	$11,035,308
Net school generated funds	$1,052,425	$892,456	$916,105
Capital and debt services			
Amortization of capital assets			
Supported	$1,535,815	$1,533,577	$1,483,332
Unsupported	$890,166	$839,378	$941,631
Total Amortization of capital assets	$2,425,981	$2,372,955	$2,424,963
Interest on capital debt			
Supported	$856,434	$856,388	$987,972
Unsupported	$54,517	$54,519	$68,003
Total interest on capital debt	$910,951	$910,907	$1,055,975
Other interest charges	$2,374	$0	$497
Losses on disposal of capital assets	$8,221	$0	$8,607
Total Expenses	$47,168,784	$45,787,004	$46,675,905
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($1,091,889)	($776,162)	($565,767)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($1,091,889)	($776,162)	($565,767)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($1,091,889)	($565,768)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,535,815)	($1,483,332)
Total amortization expense	$2,425,981	$2,424,963
Gains on disposal of capital assets	($13,908)	$0
Losses on sale of capital assets	$8,221	$8,607
Changes in accrued accounts:		
Accounts receivable	$461,543	($1,145,718)
Prepaids and other current assets	($15,567)	$80,493
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($482,772)	$370,871
Deferred revenue	($21,251)	($593,326)
Employee future benefits	($35,135)	($203,411)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($300,591)	($1,106,621)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($257,347)	($2,119,791)
Equipment	($75,845)	($55,748)
Vehicles	($292,645)	($301,934)
Net proceeds from disposal of capital assets	$71,010	$10,000
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($554,827)	($2,467,473)
C. FINANCING ACTIVITIES		
Capital allocations received	$253,283	$2,099,301
Issue of long term debt	$0	$0
Repayment of long term debt	($1,394,195)	($1,481,842)
Add back: supported portion	$1,225,468	$1,325,719
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$84,556	$1,943,178
Net sources (uses) of cash equivalents* during year	($770,863)	($1,630,916)
Cash Equivalents at the beginning of the year	$1,333,875	$2,964,791
Cash Equivalents at the end of the year	$563,012	$1,333,875

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2275

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$8,630,138	$6,723,487	$499,458	$1,407,193	$1,106,683	$30,451	($11,248)	$14,947	$179,534	$0	$86,826	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$8,630,138	$6,723,487	$499,458	$1,407,193	$1,106,683	$30,451	($11,248)	$14,947	$179,534	$0	$86,826	$0	$0	$0
Surplus(def) of revenue over expenses	($1,091,889)		($1,091,889)											
Board funded capital transactions		$377,539	$0	($377,539)	($11,507)	($1,893)	($98,445)	($10,000)	$0	$0	($255,695)	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,425,981)	$2,425,981											
Amortization of capital allocations		$1,535,815	($1,535,815)											
Disposal of unsupported capital assets	$0	($65,323)	($5,687)	$71,010		$5,000		$22,360		$0		$43,650		$0
Disposal of supported capital assets-unsupported portion	$818,787	$818,787	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$168,726	($168,726)											
Net transfers to operating reserves			$375,204	($375,204)	($512,807)		$150,605		($29,803)		$16,801		$0	
Net transfers from operating reserves			($10,000)	$10,000	$10,000		$0		$0		$0		$0	
Net transfers to capital reserves			$932	($932)		$0		($932)		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$8,357,036	$7,133,050	$489,458	$734,528	$592,370	$33,558	$40,913	$26,375	$149,731	$0	($152,068)	$43,650	$0	$0

School Jurisdiction Code: 2275

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$37,152	$38,384,047
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$248,299	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$1,984	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$3,000	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$1,225,468
Expended capital allocations - current year		($248,299)	$248,299
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,535,815
Balance at August 31, 2004		$42,136	$38,321,999

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2004

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the School Act, Revised statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta School Jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province for new construction are recorded as deferred capital allocations until spent. Once spent, the capital allocations are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Capital allocations for the purpose of debt repayment are recorded as unamortized capital allocations.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value, when reasonably determinable.

Externally restricted contributions are recognized as revenue in the period in which the restriction is complied with. Endowment funds are recognized as direct increases in net assets in the period

in which they are received.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses also fall into this category.

(c) Capital Assets

Capital assets are recorded at cost, except for contributed assets which are recorded at the estimated fair market when acquired. The capital assets are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	2.5% to 5%
Equipment	10% to 20%
Vehicles and buses	10% to 20%

Only capital assets with a cost in excess of $5,000 are capitalized. Assets with a cost less than $5,000 are treated as current operating expenses. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(d) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are used for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the Regional Division because the accountability, control and ownership of these funds rests with the Regional Division's officials or their appointees.

(e) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Pensions

Pension cost included in these statements compose the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. under the terms of the Teachers Pension Plan Act, the Northern Gateway Regional Division #10 does not make pension contributions for certificated staff.

The School board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $224,061 ($181,943 in 2003) for the Year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

(g) Contributed Services

Volunteers contribute a considerable number of hours to assist schools within the Regional Division in the delivery of programs, including but not limited to, kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are generally not otherwise purchased, contributed services are not recognized in the financial statements.

(h) Inventories

The Regional Division expenses all items under $5,000 as current operating expenses and, therefore, does not track inventories of supplies in its financial statements.

(i) Financial Instruments

The Regional Division's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long term debt. It is management's opinion that the Regional Division is not exposed to significant interest, currency or credit risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The Regional Division has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

(j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for future operating or capital expenditures. Such reserves represent appropriations of accumulated surplus.

(k) Employee Future Benefits

The Regional Division accounts for the future cost of employee benefits in accordance with Section 3461 of the CICA Handbook.

3. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate plus 1/4%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

4. DEFERRED REVENUE

	2004	2003
OES, Demolition	$ 387,884	$ -
One time block funding	27,371	27,371
AISI	91,505	-
Whitecourt concept study	937	1,183
Valleyview concept study	80,383	80,383
BQRP for 2001 - 2003	-	148,572
BRQP for 2003 - 2004	24,538	-
Prepaid Transportation Fees	13,216	12,720
ASHIP	46,178	-
School portables	-	106,368
One time funding - maintenance	-	258,266
One time funding - transportation	-	58,400
	$ 672,012	$ 693,263

5. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for the following areas;

	2004	2003
Endowment funds for scholarships	$ 217,788	$ 232,894
Deferred salary leave plans	-	19,195
Rental damage deposits	7,025	7,025
Early childhood services (ECS)	-	7,893
	$ 224,813	$ 267,007

6. LONG TERM DEBT

	2004	2003
Debentures repayable to Alberta Municipal Financing Corporation at $2,587,868 per year, including interest at rates of 6.875% to 12.0%. Debenture debt is issued on the credit and security of the Regional Division and matures between 2002 and 2019. Certain of these debentures are eligible for Provincial support. These debentures funded the construction of school buildings with a net carrying amount of $47,954,951.	$ 7,574,875	$ 8,905,118
Johnson Controls Ltd financing agreement, repayable at $10,750 per month including interest at a rate of 7.0%, plus an additional $75,000 principal on the anniversary of the completion of the project. The agreement, used to fund the energy retrofit project, matures in December 2006 and is secured by certain property with a net book value of $953,033.	569,408	633,369
	8,144,283	9,538,487
Less: current portion	1,261,024	1,394,215
	$ 6,883,259	$ 8,144,272

The payments of principal required to meet long term debt obligations in each of the next five years are as follows:

	Supported Principal	Unsupported Principal
2005	$ 1,078,609	$ 182,415
2006	978,298	197,275
2007	871,089	125,324
2008	797,210	10,097
2009	732,990	-
Thereafter	3,170,975	-
	$ 7,629,171	$ 515,111

7. CONTINGENCY

The Regional Division is a member of the Alberta School Boards Insurance Exchange (ASBIE). Under the terms of membership, the Regional Division could become liable for it's proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted as a current expenditure in the year the losses are determined. A portion of premiums paid each year are applied to the equity of the Exchange. These payments are recorded as expenses of the Regional Division in the current year as the equity of the Exchange is potentially subject to liability claims and is not a tangible asset the jurisdiction can liquidate.

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

10. INTERFUND TRANSFERS

During the year the Regional Division transferred the following amounts between funds:

	2004	2003
a) Transfers between restricted operating reserves and unrestricted net assets:		
Current operating revenues in excess of expenditures	$ (1,091,888.79)	$ (565,768.00)
Amortization of capital assets	2,425,980.00	2,424,963.00
Amortization of capital allocations	$ (1,535,815.00)	$1,483,332.00)
Gain/Loss on disposal of capital assets	(5,687.00)	8,607.00
Principal payments on unsupported debt	(168,726.40)	(156,125.00)
Interest transfer for Capital Supported Allocations	932.00	-
Net transfer from unrestricted to restricted funds	$ (375,205.19)	$ 228,345.00
b) Transfers between restricted operating reserves and capital reserves:		
Interest earned on capital reserves	$ -	$ 1,132.00
Board motion to trasfer funds for Storm Student Conference	(10,000.00)	(2,704.00)
Net transfer from capital reserves to restricted operating reserves	$ (10,000.00)	$ (1,572.00)

11. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

12. CAPITAL RECONCILIATION

	2004	2003
A. Total capital assets	$53,599,332	$54,646,009
Deduct: Long Term debt		
- supported	(7,629,171)	(8,800,343)
- unsupported	(515,111)	(738,135)
Net total	$45,455,050	$45,107,531
B. Unamortized capital allocations	38,321,999	38,384,047
Add: Investment in capital assets	7,133,051	6,723,487
Net total	45,455,050	45,107,534
C. Variance	$ -	$ (3)

13. SALE OF SCHOOL

One of the jurisdiction's schools closed on June 30, 2003. The jurisdiction is selling this school for $1 in 2004/2005. The school has a net book value at August 31, 2004 of $172,981 (land & building).

14. LEGAL CASE

The Division has been named in a legal case involving stress leave. The maximum liability to the Division would be $40,000.

15. COMMITMENTS

a) Building Projects

The jurisdiction is committed to further capital expenditures at Onoway Elementary School of approximately $7,800,000. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

b) Leases

The jurisdiction is committed to equipment leases at it's various schools in the amount of $341,024 repayable as follows:

2005	$ 115,941
2006	$ 103,211
2007	$ 63,667
2008	$ 21,432
2009	$ 36,774
	$ 341,025

16. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Northern Gateway Regional Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. ADJUSTMENTS TO CAPITAL ASSETS

In 1995, with the change in accounting policy to record amortization, the Division had reconstructed the various capital asset accounts for their known assets at the time. All excess items were netted out in the depreciable asset accounts (equal amounts in asset costs and accumulated amortization) with the excess credit being used as an offset to land. This "draw down" of the land was balanced with an adjustment (probably) to the unamortized capital allocation account.

NORTHERN GATEWAY REGIONAL DIVISION #10

NOTES TO FINANCIAL STATEMENTS (CONT'D)

AUGUST 31, 2004

17. ADJUSTMENTS TO CAPITAL ASSETS (Cont'd)

The Division had a project to reallocate these amounts in 2003/2004. The initial findings showed the 1995 cost evaluations were probably as accurate as could be determined. The Division has therefore decided to write off these unallocated amounts in 2003/2004. This write off had the following effect:

Land increased by $821,789

Buildings and accumulated amortization - buildings, both decreased by $8,841,833.

Equipment and accumulated amortization - equipment, both decreased by $14,109,590

Vehicles and accumulated amortization - vehicles, both decreased by $1,504,713.

Investment in capital assets also increased by $821,789 (shown on statement of net assets column 2, on the Disposal of supported capital assets - unsupported portion line) (net of $3,000 cost of land disposed of during in another transaction).

The Division now has supporting schedules which agree to the revised numbers at the year end.

A summary of the activity this year in the capital asset accounts is as follows:

Assets	Land	Building	Equipment	Vehicles
Beginning Balance	$ 1,382,484	$ 72,066,318	$ 16,662,635	$ 4,747,312
Additions	-	257,347	75,845	292,645
Disposals	(3,000)	-	(24,000)	(171,562)
Write (off) up of unallocated	821,787	(8,841,833)	(14,109,590)	(1,504,713)
Ending Balance	$ 2,201,271	$ 63,481,832	$ 2,604,890	$ 3,363,682

Accumulated Amortization				
Beginning Balance		$ 21,648,101	$ 15,694,158	$ 2,870,481
Current year provision		1,767,580	310,767	347,633
Disposals		-	(12,000)	(118,238)
Write (off) up of unallocated		(8,841,833)	(14,109,590)	(1,504,713)
Ending Balance		$ 14,573,848	$ 1,883,335	$ 1,595,163

School Jurisdiction Code: 2275

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$28 701 317	$1 466 514	$27 234 803						
(2) Support block	$5 255 691				$3 666 830			$1 588 861	
(3) Instruction & support block reallocations	$12 824	$0	$0		$12 491			$333	$0
(4) Alberta Initiative for School Improvement (AISI)	$584 815	$20 469	$564 347						
(5) Student Health Initiative (SHI)	$88 423	$0	$88 423						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1 264 000	$33 677	$1 210 062					$20 261	$0
(8) Regional P D Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$738 952	$0	$680 552	$0	$58 400			$0	$0
(11) **Total Alberta Learning Revenue**	$36 646 023	$1 520 660	$29 778 187	$0	$3 737 722			$1 609 455	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$344 363			$344 363					
(13) Operations & Maintenance support	$3 658 442			$3 658 442					
(14) Operations & Maintenance support (One-Time)	$258 266			$258 266					
(15) **Total Alberta Infrastructure Revenue**	$4 261 071			$4 261 071					
(16) **Alberta Finance**	$856 434			$856 434					$0
(17) **Other - Government of Alberta**	$86 623	$0	$78 807	$5 205	$0			$2 611	$0
(18) **Federal Government and/or First Nations**	$1 004 500	$0	$913 452	$52 827	$0			$38 221	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$27 044	$0	$27 044	$0	$0			$0	$0
(22) **Instruction resource fees**	$235 487	$14 954	$220 533						
(23) **Transportation fees**	$33 995				$33 995				
(24) **Other sales and services**	$50 091	$0		$11 926	$38 165			$0	$0
(25) **Investment income**	$79 486	$0	$71 088	$7 682	$563			$154	$0
(26) **Gifts and donations**	$32 012	$0	$32 012	$0	$0				$0
(27) **Rentals of facilities**	$161 981		$4 848	$149 550	$0			$7 583	$0
(28) **Net school generated funds**	$1 052 425	$0	$1 052 425	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$13 908		$0	$5 458	$8 450			$0	$0
(30) **Amortization of capital allocations**	$1 535 815		$0	$1 535 815	$0				$0
(31) **TOTAL REVENUES**	$46 076 895	$1 535 614	$32 178 396	$6 885 967	$3 818 895			$1 658 023	$0
EXPENSES									
(32) **Certificated salaries**	$21 680 399	$616 778	$20 788 662				$274 960	$274 960	$0
(33) **Certificated benefits**	$2 333 723	$74 384	$2 234 900				$24 438	$24 438	$0
(34) **Uncertificated salaries and wages**	$6 955 676	$343 137	$4 234 652	$751 934	$890 698	$180 333	$554 923	$735 255	$0
(35) **Uncertificated benefits**	$1 491 684	$86 683	$940 880	$155 303	$160 263	$28 805	$119 752	$148 557	$0
(36) **SUB - TOTAL**	$32 461 483	$1 120 981	$28 199 094	$907 237	$1 050 961	$209 137	$974 073	$1 183 210	$0
(37) **Services, contracts & supplies**	$10 307 348	$134 295	$3 717 802	$3 208 107	$2 742 528	$145 531	$359 085	$504 617	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$1 052 425	$0	$1 052 425	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1 535 815	$0	$0	$1 535 815	$0		$0	$0	$0
(41) Unsupported	$890 166	$0	$447 984	$108 609	$301 290	$0	$32 283	$32 283	$0
(42) Total Amortization	$2 425 981	$0	$447 984	$1 644 424	$301 290	$0	$32 283	$32 283	$0
Interest on capital debt									
(43) Supported	$856 434	$0	$0	$856 434	$0		$0	$0	$0
(44) Unsupported	$54 517	$0	$0	$54 517	$0	$0	$0	$0	$0
(45) Other interest charges	$2 374	$0	$2 219	$0	$155		$0	$0	$0
(46) **Losses on disposal of capital assets**	$8 221	$0	$2 200	$0	$6 021	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$47 168 784	$1 255 276	$33 421 725	$6 670 719	$4 100 954	$354 669	$1 365 441	$1 720 110	$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($1 091 889)	$280 338	($1 243 329)	$215 248	($282 060)			($62 086)	$0

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$16,704,367	$1,980,127	$93,836	$999,403	$690,048	$320,881	$0	$20,788,662
Certificated benefits	$1,827,816	$176,777	$8,266	$115,440	$76,207	$30,395	$0	$2,234,900
Uncertificated salaries and wages	$369,431	$1,451,047	$47,602	$537,208	$1,766,557	$6[illegible],808	$0	$4,234,652
Uncertificated benefits	$73,039	$326,738	$11,675	$120,449	$395,127	$13,852	$0	$940,880
SUB - TOTAL REMUNERATION	$18,974,654	$3,934,690	$161,378	$1,772,499	$2,927,938	$427,936	$0	$28,199,094
Services, contracts & supplies	$2,958,730	$288,785	$92,919	$22,488	$39,516	$160,688	$154,676	$3,717,802
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$1,052,425							$1,052,425
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$416,401	$31,583	$0					$447,984
Total Amortization	$416,401	$31,583	$0					$447,984
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$2,219	$0						$2,219
Losses on disposal of capital assets	$2,200	$0						$2,200
TOTAL EXPENSES	$23,406,629	$4,255,057	$254,297	$1,794,988	$2,967,454	$588,624	$154,676	$33,421,725
FTE Certificated				15.3	10.7			
FTE Uncertificated				18.1	57.3			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,484,567	$2,343,905	$2,179,676	$0	$27,008,148	$24,706,029	$2,302,119
School Admin & Instruction Support Expenses						$4,255,057	($4,255,057)
System Instruction Support Expenses						$254,297	($254,297)
Total Basic Instruction	$22,484,567	$2,343,905	$2,179,676	$0	$27,008,148	$29,215,382	($2,207,235)
Sub-Programs & Initiatives							
Severely Disabled	$1,971,169	$0	$0		$1,971,169	$2,967,454	($996,286)
English as a Second Language	$44,160				$44,160	$44,160	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$84,810		$0		$84,810	$165,624	($80,814)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$1,998,895				$1,998,895		$1,998,895
Growth & Density	$39,957				$39,957		$39,957
Teacher Assistants Program	$103,566				$103,566	$180,923	($77,357)
Early Literacy Initiative (K-2)	$186,862				$186,862	$97,338	$89,525
Learning Resources Credit & Resources for the Classroom	$66,725	$199,479	$220,533		$486,737	$486,737	$0
Technology Integration	$226,688		$0		$226,688	$226,688	$0
French Language Program & Francisation (all jurisdictions)	$7,232		$0		$7,232	$7,232	$0
Home Education	$20,171		$0		$20,171	$30,186	($10,015)
Total Sub-Programs & Initiatives	$4,750,236		$220,533		$5,170,248	$4,206,342	$963,906
INSTRUCTION, GRADES 1-12	$27,234,803	$2,543,384	$2,400,209	$0	$32,178,396	$33,421,725	($1,243,329)

School Jurisdiction Code: 2275

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$28,474,629
Support Block - Transportation	$3,666,830
SUBTOTAL	$32,141,459

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,658,442
Teacher Salary Enhancement	$1,264,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$86,623
Federal government/First Nations	$1,004,500
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$27,044
Other sales and services	$50,091
Interest on investments	$79,486
Rentals of facilities	$161,981
Gains on disposal of capital assets	$13,908
Amortization of capital allocations	$1,535,815
School generated funds (Schedule E)	$1,639,487
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$41,662,836**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.40%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,831,498
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,831,498**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,720,110
PLUS: transfers to Restricted - Operating (Board/System Administration)	-$29,803
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,690,306
Maximum Expense Limit for Board & System Administration (Step 3)	$1,831,498
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$141,192

School Jurisdiction Code: 2275

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$874,489
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,639,487	
Less: SGF - related cost recoveries (Note 3)	$740,135	
- capitalized at the District level (Note 4)	$0	
Net Total	$899,352	
Plus: Donations Received (Note 5)	$176,429	
Equals: Net Additions to SGF		$1,075,781
Net SGF Available for discretionary spending		$1,950,270
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,052,425
Unexpended SGF - Closing Balance August 31, 2004		$897,845

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2275

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$617,002	$0	$0	$134,932	$751,934		$751,934
Uncertificated benefits	$0	$130,186	$0	$0	$25,117	$155,303		$155,303
Sub-total Remuneration	$0	$747,188	$0	$0	$160,049	$907,237		$907,237
Contracted Services	$1,041,177	$63,511	$0	$347,520	$64,928	$1,517,136		$1,517,136
Supplies	$85,398	$282,849	$0	$0	$2,648	$370,895		$370,895
Electricity			$566,565			$566,565		$566,565
Natural Gas/Heating Fuel			$465,431			$465,431		$465,431
Sewer and Water			$101,648			$101,648		$101,648
Telecommunications			$19,373			$19,373		$19,373
Insurance					$167,060	$167,060		$167,060
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,535,815	$1,535,815
Unsupported						$108,609		$108,609
Total Amortization						$108,609	$1,535,815	$1,644,424
Interest on capital debt								
Supported							$856,434	$856,434
Unsupported				$0		$54,517		$54,517
Other interest charges								$0
Losses on disposal of capital assets								$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,126,574	$1,093,548	$1,153,017	$347,520	$394,685	$4,278,470	$2,392,249	$6,670,719
SQUARE METRES								
School Buildings								73,151.7
Non School Buildings								4,565.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	14.8						
Contracted Services	17.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2275

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Judy Muir	1.0	$34,180	$4,353	$0			$38,533	$12,027
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Warren Bruleigh	1.0	$16,207	$1,007	$0			$17,214	$6,471
Name	Stan Jeffreys	1.0	$19,607	$4,793	$0			$24,400	$6,794
Name	Grethe Jensen	1.0	$20,614	$4,813	$0			$25,427	$10,411
Name	Barbara Maddigan	1.0	$11,538	$1,549	$0			$13,087	$4,227
Name	Terry Slemko	1.0	$19,850	$4,774	$0			$24,625	$5,456
Name	Gerry Steinke	1.0	$22,044	$794	$0			$22,838	$8,989
Name	Maureen Wilcox	1.0	$14,639	$1,822	$0			$16,461	$4,388
Name	Merv Zadderey	1.0	$21,969	$4,900	$0			$26,869	$10,193
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$180,648*	*$28,805*	*$0*			*$209,453*	*$68,956*
Superintendent	Eugene J. Miller	1.0	$118,600	$8,891	$0	$0	$0	$127,491	$29,256
Superintendent		1.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Michael Gramatovich	0.0	$95,000	$15,391	$0	$0	$0	$110,391	$15,704
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		331.7	$21,561,799	$2,324,833	$0	$0	$0	$23,886,632	
Uncertificated Salaries & Wages		230.0	$6,680,028	$1,447,488	$0	$0	$0	$8,127,516	
TOTALS			**$28,636,075**	**$3,825,407**	**$0**	**$0**	**$0**	**$32,461,483**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code 1245

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northern Lights School Division No. 69
Legal Name of School Jurisdiction

6005 50th Ave., Bonnyville, AB T9N 2L4
Mailing Address

Telephone: (780)826-3145 Fax: (780)826-4600
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northern Lights School Division No. 69
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Heather Welwood	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Ed Wittchen	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Gary Krawchuk	"ORIGINAL SIGNED"
Name	Signature

30-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees of:
Northern Lights School Division No. 69

We have audited the statement of financial position of the Northern Lights School Division No. 69 (School Division) as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the School Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2004, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ross [illegible] LLP
Chartered Accountants

Bonnyville, Alberta
November 18, 2004

School Jurisdiction Code: 1245

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$10,444,972	$14,562,842
Accounts receivable (net after allowances)		$2,914,743	$2,155,416
Prepaid expenses		$230,027	$717,479
Other current assets		$0	$0
Total current assets		$13,589,742	$17,435,737
School generated assets		$718,511	$589,725
Trust assets		$54,851	$58,847
Long term accounts receivable		$44,000	$0
Long term investments		$0	$0
Capital assets			
Land		$1,856,960	$1,774,070
Buildings	$52,747,028		
Less: accumulated amortization	($25,496,942)	$27,250,086	$25,844,504
Equipment	$3,201,898		
Less: accumulated amortization	($2,222,228)	$979,670	$1,045,745
Vehicles	$1,498,522		
Less: accumulated amortization	($763,380)	$735,142	$798,444
Total capital assets		$30,821,858	$29,462,763
TOTAL ASSETS		$45,228,962	$47,547,072
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,901,577	$3,216,473
Deferred revenue		$613,479	$837,135
Deferred capital allocations		$3,266,746	$5,923,049
Current portion of all long term debt		$1,086,295	$1,323,351
Total current liabilities		$6,868,097	$11,300,008
School generated liabilities		$718,511	$589,725
Trust liabilities		$54,851	$58,847
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$9,607,412	$10,796,401
Less: Current portion of supported debt		($1,086,295)	($1,188,988)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$134,363
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	($134,363)
Unamortized capital allocations		$17,151,919	$14,723,586
Total long term liabilities		$26,446,398	$24,979,571
TOTAL LIABILITIES		$33,314,495	$36,279,579
NET ASSETS			
Unrestricted net assets		$1,036,772	$97,169
Operating Reserves		$6,815,170	$7,361,911
Accumulated Operating Surplus (Deficit)		$7,851,942	$7,459,080
Investment in capital assets		$4,062,525	$3,808,413
Capital Reserves		$0	$0
Total Capital Funds		$4,062,525	$3,808,413
Total net assets		$11,914,467	$11,267,493
TOTAL LIABILITIES AND NET ASSETS		$45,228,962	$47,547,072

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$42,248,054	$42,517,052	$42,338,840
Alberta Infrastructure	$5,239,543	$4,927,909	$4,694,593
Alberta Finance	$1,116,437	$1,116,437	$1,246,201
Other Government of Alberta	$205,461	$174,896	$218,529
Federal Government and/or First Nations	$2,047,645	$1,396,663	$1,759,218
Other Alberta school authorities	$0	$3,600	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$40,000	$0	$74,800
Instruction resource fees	$15,455	$0	$27,974
Transportation fees	$113,362	$90,000	$119,621
Other sales and services	$530,627	$429,805	$456,495
Investment income	$210,996	$125,000	$217,807
Gifts and donations	$30,996	$10,000	$64,505
Rentals of facilities	$15,686	$21,020	$24,609
Net school generated funds	$552,312	$577,368	$629,351
Gains on disposal of capital assets	$31,250	$0	$11,750
Amortization of capital allocations	$1,533,751	$1,471,778	$1,445,280
Total Revenues	$53,931,575	$52,861,528	$53,329,573
EXPENSES			
Certificated salaries	$23,430,860	$22,988,359	$22,492,855
Certificated benefits	$2,706,498	$2,795,276	$2,664,380
Uncertificated salaries and wages	$8,273,934	$7,432,174	$7,446,247
Uncertificated benefits	$2,007,183	$1,730,478	$1,715,925
Services, contracts and supplies	$13,135,280	$14,532,638	$13,272,735
Net school generated funds	$552,312	$577,368	$629,351
Capital and debt services			
Amortization of capital assets			
Supported	$1,533,751	$1,471,778	$1,445,280
Unsupported	$519,043	$504,249	$586,339
Total Amortization of capital assets	$2,052,794	$1,976,027	$2,031,619
Interest on capital debt			
Supported	$1,116,437	$1,116,437	$1,246,201
Unsupported	$0	$0	$16,693
Total Interest on capital debt	$1,116,437	$1,116,437	$1,262,894
Other interest charges	$9,303	$10,000	$5,066
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$53,284,601	$53,158,757	$51,521,072
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$646,974	($297,229)	$1,808,501
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$646,974	($297,229)	$1,808,501

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$646,974	$1,808,501
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,533,751)	($1,445,280)
Total amortization expense	$2,052,794	$2,031,619
Gains on disposal of capital assets	($31,250)	($11,750)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($759,327)	($829,527)
Prepaids and other current assets	$487,452	($531,507)
Long term accounts receivable	($44,000)	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,314,896)	($40,209)
Deferred revenue	($223,656)	$10,129
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($719,660)	$991,976
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($136,261)	($176,703)
Buildings	($2,859,775)	($1,905,670)
Equipment	($257,509)	($295,181)
Vehicles	($158,344)	($408,287)
Net proceeds from disposal of capital assets	$31,250	$6,150
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($3,380,639)	($2,779,691)
C. FINANCING ACTIVITIES		
Capital allocations received	$116,793	$437,020
Issue of long term debt	$0	$0
Repayment of long term debt	($1,323,352)	($1,383,224)
Add back: supported portion	$1,188,988	$1,256,944
Other (describe)	$0	$0
Total sources (uses) from Financing activities	($17,571)	$310,740
Net sources (uses) of cash equivalents* during year	($4,117,870)	($1,476,975)
Cash Equivalents at the beginning of the year	$14,562,842	$16,039,817
Cash Equivalents at the end of the year	$10,444,972	$14,562,842

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1245

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
				TOTAL	School Based		Infrastructure		Board & System Admin		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$11,267,493	$3,808,413	$97,169	$7,361,911	$4,728,441	$0	$1,340,302	$0	$857,217	$0	$435,951	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$11,267,493	$3,808,413	$97,169	$7,361,911	$4,728,441	$0	$1,340,302	$0	$857,217	$0	$435,951	$0	$0	$0
Surplus(def) of revenue over expenses	$646,974		$646,974											
Board funded capital transactions		$638,792	($607,542)	($31,250)	$0	($24,000)	$0	($2,300)	$0	($4,950)	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,052,794)	$2,052,794											
Amortization of capital allocations		$1,533,751	($1,533,751)											
Disposal of unsupported capital assets	$0	$0	($31,250)	$31,250		$24,000		$2,300		$4,950		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$134,363	($134,363)											
Net transfers to operating reserves			($701,508)	$701,508	$0		$676,040		$0		$25,468		$0	
Net transfers from operating reserves			$1,248,249	($1,248,249)	($1,232,429)		$0		($15,820)		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$11,914,467	$4,062,525	$1,036,772	$6,815,170	$3,496,012	$0	$2,016,342	$0	$841,397	$0	$461,419	$0	$0	$0

School Jurisdiction Code: 1245

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$5,923,049	$14,723,586
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$14,397	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$102,396	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$1,188,988
Expended capital allocations - current year		($2,773,096)	$2,773,096
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,533,751
Balance at August 31, 2004		$3,266,746	$17,151,919

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The School Division receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monites. The School Division is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school juridictions. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

2. ACCOUNTING POLICIES (Continued)

(b) Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a straight line basis, at the following annual rates:

Buildings	2.5%, 4% and 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

(d) Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

(e) Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(f) Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

2. ACCOUNTING POLICIES (Continued)

(g) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contibutions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the School Division does not make pension contributions for certificated staff.

(h) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the School Division, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

(i) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

3. TRUST ASSETS AND LIABILITIES

This balance represents cash that is held in trust by the School Division for a scholarship trust.

4. ACCOUNTS RECEIVABLE

	2004	2003
Province of Alberta	$ 1,880,330	$ 1,383,033
Federal Government	989,772	713,785
Other receivables	44,641	58,598
	$ 2,914,743	$ 2,155,416

NORTHERN LIGHTS SCHOOL DIVISION NO. 69

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2004

5. BANK INDEBTEDNESS

The School Division has negotiated a line of credit to a maximum of the lesser of $5,000,000 or its outstanding accounts receivable as per the most recent audited financial statements, bearing interest at prime less 0.25% per annum secured by a revolving line of credit agreement and related demand promissory note in the amount of $5,000,000, school division borrowing resolution for capital and current expenditures, Government of Alberta Department of Education Ministerial order #141/94, and an EFT transfer agreement. There was no balance outstanding on the line of credit as at year end.

6. ACCOUNTS PAYABLE

	2004	2003
Province of Alberta	$ 501,688	$ 835,170
Other trade payables and accrued liabilities	1,399,889	2,381,303
	$ 1,901,577	$ 3,216,473

7. DEFERRED REVENUE

	2004	2003
Alberta Initiative for School Improvement	$ 265,515	$ 39,654
Telus Collaborative Projects	103,639	-
DIA Tuition 2004	123,290	116,350
Other	121,035	16,373
One-time Grant Funding	-	505,088
Infrastructure Maintenance Program	-	159,670
	$ 613,479	$ 837,135

8. LONG TERM DEBT

a) Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.5% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004	$ 1,086,295	$ 993,096	$ 2,079,391
2005	1,019,958	877,083	1,897,041
2006	999,027	767,289	1,766,316
2007	892,765	660,008	1,552,773
2008	819,075	565,477	1,384,552
Thereafter	4,790,292	1,892,437	6,682,729
	$ 9,607,412	$ 5,755,390	$15,362,802

b) Capital Leases - Unsupported

Currently, there are no capital leases held by the School Division.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the School Division, but the related expenditure has not yet been made at year end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. CONTINGENCIES

The School Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the School Division can liquidate.

12. COMMITMENTS

a) Building Projects

The School Division is committed to further capital expenditures for phase II of the J.A. Williams school modernization of approximately $6,148,641. These costs are fully funded by the capital allocations from Alberta Infrastructure and are included in deferred capital allocations.

b) Photocopier Lease

The School Division is committed to the following minimum annual lease payments for photocopiers pursuant to a lease expiring August, 2009:

2004	$ 449,447
2005	449,447
2006	449,447
2007	449,447
2008	449,447
Thereafter	449,447
	$ 2,696,682

13. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School Division's primary source of income is from the Alberta Government. The School Division's ability to continue viable operations is dependent on this funding.

14. BUDGET AMOUNTS

The budget was prepared by the School Division and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

15. FINANCIAL INSTRUMENTS

The School Division's financial instruments consist of cash and temporary investments, accounts receivable, school generated funds, trust assets and liabilities, bank indebtedness, accounts payable and accrued liabilities and long term debt. It is management's opinion that the School Division is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the method of presentation adopted for the current year.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$32,995,715	1,808,119	$31,187,596						
(2) Support block	$6,334,366				4,610,089			1,724,277	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$523,129	$0	523,129						
(5) Student Health Initiative (SHI)	$161,553	$0	161,553						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,449,000	$0	$1,435,766					$13,234	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$784,291	$0	784,291	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$42,248,054	$1,808,119	$34,092,335	$0	$4,610,089			$1,737,511	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$513,265			513,265					
(13) Operations & Maintenance support	$4,294,490			4,294,490					
(14) Operations & Maintenance support (One-Time)	$431,788			431,788					
(15) **Total Alberta Infrastructure Revenue**	$5,239,543			$5,239,543					
(16) **Alberta Finance**	$1,116,437			1,116,437					$0
(17) **Other - Government of Alberta**	$205,461	$0	70,420	7,800	$0			$0	127,241
(18) **Federal Government and/or First Nations**	$2,047,645	$0	$1,770,219	$201,733	$0			$75,693	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$40,000	$0	40,000	$0	$0			$0	$0
(22) **Instruction resource fees**	$15,455	$0	15,455						
(23) **Transportation fees**	$113,362				113,362				
(24) **Other sales and services**	$530,627	$0	$318,790	$30,996	$0			$37,810	$143,031
(25) **Investment income**	$210,996	$7,201	145,569	$31,949	$18,811			$7,466	$0
(26) **Gifts and donations**	$30,996	$0	$30,996	$0	$0				$0
(27) **Rentals of facilities**	$15,686		$8,139	$7,547	$0			$0	$0
(28) **Net school generated funds**	$552,312	$0	$552,312	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$31,250		$24,000	$2,300	$0			$4,950	$0
(30) **Amortization of capital allocations**	$1,533,751		$106,075	$1,427,676	$0				$0
(31) **TOTAL REVENUES**	$53,931,575	$1,815,320	$37,174,310	$8,065,981	$4,742,262			$1,863,430	$270,272
EXPENSES									
(32) **Certificated salaries**	$23,430,860	$1,418,734	$21,488,139				$410,898	$410,898	$113,089
(33) **Certificated benefits**	$2,706,498	$134,347	$2,532,417				$29,887	$29,887	$9,847
(34) **Uncertificated salaries and wages**	$8,273,934	$439,905	$5,727,280	$1,202,584	$165,088	$82,605	$565,651	$648,256	$90,821
(35) **Uncertificated benefits**	$2,007,183	$156,178	$1,435,128	$258,297	$32,011	$1,860	$116,377	$118,237	$7,332
(36) **SUB - TOTAL**	$36,418,475	$2,149,164	$31,182,964	$1,460,881	$197,099	$84,465	$1,122,813	$1,207,278	$221,089
(37) **Services, contracts & supplies**	$13,135,280	$55,691	$4,645,382	$3,274,375	$4,484,068	$60,556	$566,025	$626,581	$49,183
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$30,000	$0	($30,000)	($30,000)	$0
(39) **Net school generated funds**	$552,312	$0	$552,312	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,533,751	$0	$106,075	$1,427,676	$0			$0	$0
(41) Unsupported	$519,043	$0	$328,143	$110,573	$5,627	$0	$74,700	$74,700	$0
(42) Total Amortization	$2,052,794	$0	$434,218	$1,538,249	$5,627	$0	$74,700	$74,700	$0
Interest on capital debt									
(43) Supported	$1,116,437	$0	$0	$1,116,437	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$9,303	$0	$8,612	$0	$0		$691	$691	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$53,284,601	$2,204,855	$36,823,488	$7,389,942	$4,716,794	$145,021	$1,734,229	$1,879,250	$270,272
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$646,974	($389,535)	$350,822	$676,039	$25,468			($15,820)	$0

School Jurisdiction Code: 1245

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$16,626,680	$2,114,455	$365,824	$692,778	$1,324,239	$364,163	$0	$21,488,139
Certificated benefits	$1,996,285	$231,965	$33,701	$83,179	$158,995	$28,292	$0	$2,532,417
Uncertificated salaries and wages	$831,137	$1,492,846	$362,945	$1,053,856	$1,825,060	$37,813	$123,623	$5,727,280
Uncertificated benefits	$169,604	$390,254	$76,239	$275,488	$482,790	$9,407	$31,346	$1,435,128
SUB - TOTAL REMUNERATION	$19,623,706	$4,229,520	$838,709	$2,105,301	$3,791,084	$439,675	$154,969	$31,182,964
Services, contracts & supplies	$3,961,348	$0	$213,798	$69,699	$310,499	$83,454	$6,584	$4,645,382
Cost recoveries & transfers	$0	$0	$0	$0	$0		$0	$0
Net school generated funds	$552,312							$552,312
Amortization of capital assets								
Supported	$56,293		$49,782					$106,075
Unsupported	$194,542		$133,601					$328,143
Total Amortization	$250,835	$0	$183,383					$434,218
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$8,612	$0						$8,612
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$24,396,813	$4,229,520	$1,235,890	$2,175,000	$4,101,583	$523,129	$161,553	$36,823,488
FTE Certificated				10.7	20.4			
FTE Uncertificated				66.9	89.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	25,068,331	$2,852,287	$3,066,520	$0	$30,987,138	$25,252,509	$5,734,629
School Admin & Instruction Support Expenses						$4,229,520	($4,229,520)
System Instruction Support Expenses						$1,235,890	($1,235,890)
Total Basic Instruction	$25,068,331	$2,852,287	$3,066,520	$0	$30,987,138	$30,717,919	$269,219
Sub-Programs & Initiatives							
Severely Disabled	3,739,880	$0	$0		$3,739,880	$4,101,583	($361,703)
English as a Second Language	38,272				$38,272	$38,272	$0
Enhanced Opportunities	117,300				$117,300	$172,826	($55,526)
First Nations, Metis, and Inuit Education	288,343		$0		$288,343	$304,934	($16,591)
Institutional Programs	119,505				$119,505	$167,861	($48,356)
Sparsity & Distance	1,126,992				$1,126,992		$1,126,992
Growth & Density	5,691				$5,691		$5,691
Teacher Assistants Program	112,445				$112,445	$62,150	$50,295
Early Literacy Initiative (K-2)	207,489				$207,489	$222,958	($15,469)
Learning Resources Credit & Resources for the Classroom	25,127	52,452	$15,455		$93,034	$191,831	($98,797)
Technology Integration	244,640		$0		$244,640	$778,787	($534,147)
French Language Program & Francisation (all jurisdictions)	26,353		$0		$26,353	$26,353	$0
Home Education	67,228		$0		$67,228	$38,014	$29,214
Total Sub-Programs & Initiatives	$6,119,265		$15,455		$6,187,172	$6,105,569	$81,603
INSTRUCTION, GRADES 1-12	$31,187,596	$2,904,739	$3,081,975	$0	$37,174,310	$36,823,488	$350,822

School Jurisdiction Code: 1245

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$32,751,075
Support Block - Transportation	$4,610,089
SUBTOTAL	$37,361,164

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$4,294,490
Teacher Salary Enhancement	$1,449,000
Other Alberta Learning revenues (Describe)	$784,291
Other - Government of Alberta (Excluding Alberta Finance)	$205,461
Federal government/First Nations	$2,047,645
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$40,000
Other sales and services	$530,627
Interest on investments	$210,996
Rentals of facilities	$15,686
Gains on disposal of capital assets	$31,250
Amortization of capital allocations	$1,533,751
School generated funds (Schedule E)	$1,629,604
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$50,133,965**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.90%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$2,456,564

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,456,564**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,879,250
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$15,820
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,863,430
Maximum Expense Limit for Board & System Administration (Step 3)	$2,456,564
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$593,134

School Jurisdiction Code: 1245

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$589,725
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,629,604	
Less: SGF - related cost recoveries (Note 3)	$1,053,268	
- capitalized at the District level (Note 4)	$24,564	
Net Total	$551,772	
Plus: Donations Received (Note 5)	$129,326	
Equals: Net Additions to SGF		$681,098
Net SGF Available for discretionary spending		$1,270,823
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$552,312
Unexpended SGF - Closing Balance August 31, 2004		$718,511

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1245

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$495,037	$532,351		$0	$175,196	$1,202,584		$1,202,584
Uncertificated benefits	$115,612	$100,214		$0	$42,471	$258,297		$258,297
Sub-total Remuneration	$610,649	$632,565	$0	$0	$217,667	$1,460,881		$1,460,881
Contracted Services	$750,787	$157,966	$0	$523,747	$20,820	$1,453,320		$1,453,320
Supplies	$174,817	$199,396	$0	$0	$8,213	$382,426		$382,426
Electricity			$738,567			$738,567		$738,567
Natural Gas/Heating Fuel			$479,360			$479,360		$479,360
Sewer and Water			$58,557			$58,557		$58,557
Telecommunications			$31,493			$31,493		$31,493
Insurance					$130,652	$130,652		$130,652
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,427,676	$1,427,676
Unsupported						$110,573		$110,573
Total Amortization						$110,573	$1,427,676	$1,538,249
Interest on capital debt								
Supported							$1,116,437	$1,116,437
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,536,253	$989,927	$1,307,977	$523,747	$377,352	$4,845,829	$2,544,113	$7,389,942
SQUARE METRES								
School Buildings								79,850.7
Non School Buildings								3,665.9
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1245

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Welwood, Heather	1.0	$15,000	$451	$0			$15,451	$6,882
Name			$0	$0	$0			$0	$0
Other Board Members:									
Name	Dooanco, Peter	1.0	$10,005	$41	$0			$10,046	$4,838
Name	Evans, Mary Lynne	1.0	$10,655	$266	$0			$10,921	$5,871
Name	Hrynyk, Arlene	1.0	$11,955	$362	$0			$12,317	$10,029
Name	McDonald, Randy	1.0	$13,525	$383	$0			$13,908	$10,178
Name	Ryll, Adolph	1.0	$7,605	$130	$0			$7,735	$4,230
Name	Suhan, Roxanne	1.0	$7,905	$162	$0			$8,067	$4,040
Name	Todd, Rodney	1.0	$5,955	$65	$0			$6,020	$1,280
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$82,605*	*$1,860*	*$0*			*$84,465*	*$47,348*
Superintendent	Wiltchen, Ed	1.0	$139,832	$10,252	$0	$0	$0	$150,084	$11,224
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Krawchuk, Gary	1.0	$119,048	$15,657	$0	$0	$0	$134,705	$10,719
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		341.0	$23,291,028	$2,696,246	$0	$0	$0	$25,987,274	
Uncertificated Salaries & Wages		289.2	$8,072,281	$1,989,666	$0	$0	$0	$10,061,947	
TOTALS			**$31,704,794**	**$4,713,681**	**$0**	**$0**	**$0**	**$36,418,475**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 1280

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Northland School Division No. 61
Legal Name of School Jurisdiction

9809 - 77 Ave. Peace River, AB, T8S 1V2
Mailing Address

Telephone #: (780) 624-2060 FAX #: (780) 624-5914
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Northland School Division No. 61
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Steve Noskey	**"ORIGINAL SIGNED"**
Name	Signature

SUPERINTENDENT

Annette Ramrattan	**"ORIGINAL SIGNED"**
Name	Signature

SECRETARY TREASURER OR TREASURER

Len Leithead	**"ORIGINAL SIGNED"**
Name	Signature

DRAFT in Dec 2/04-UNAUDITED
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Auditor's Report

To the Board of Trustees,
Northland School Division No. 61

I have audited the statement of financial position of the Northland School Division No. 61 (the Division) as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets, capital allocations and Schedule G disclosure of salaries and benefits for the year then ended. All other schedules attached to these financial statements are unaudited.

These financial statements are the responsibility of the Division's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

"Original Signed By
Fred J. Dunn, FCA"
Auditor General

Edmonton, Alberta
November 30, 2004

School Jurisdiction Code: 1280

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$1,848,450	$5,244,394
Accounts receivable (net after allowances)		$9,118,813	$7,088,942
Prepaid expenses		$204,239	$228,134
Other current assets		$103,040	$110,486
Total current assets		$11,274,542	$12,671,956
School generated assets		$277,662	$247,546
Trust assets		$0	$0
Long term accounts receivable		$1,187,650	$1,458,294
Long term investments		$0	$0
Capital assets			
Land		$577,347	$577,347
Buildings	$81,077,692		
Less: accumulated amortization	($44,510,013)	$36,567,679	$37,602,454
Equipment	$8,517,163		
Less: accumulated amortization	($7,317,146)	$1,200,017	$1,134,837
Vehicles	$4,441,303		
Less: accumulated amortization	($2,656,085)	$1,785,218	$1,557,362
Total capital assets		$40,130,261	$40,872,000
TOTAL ASSETS		$52,870,115	$55,249,796
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,853,739	$2,454,668
Deferred revenue		$1,325,245	$1,479,162
Deferred capital allocations		$404,324	$493,191
Current portion of all long term debt		$2,170,400	$2,206,025
Total current liabilities		$7,753,708	$6,633,046
School generated liabilities		$277,662	$247,546
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$11,885,514	$14,083,565
	Less: Current portion of supported debt	($2,168,475)	($2,198,052)
Unsupported:	Debentures and Capital Loans	$19,247	$27,218
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($1,925)	($7,973)
Unamortized capital allocations		$21,762,024	$20,649,770
Total long term liabilities		$31,774,047	$32,802,074
TOTAL LIABILITIES		$39,527,755	$39,435,120
NET ASSETS			
Unrestricted net assets		$1,747,568	$4,844,271
Operating Reserves		$1,459,377	$1,416,374
Accumulated Operating Surplus (Deficit)		$3,206,945	$6,260,645
Investment in capital assets		$6,463,478	$6,111,447
Capital Reserves		$3,671,937	$3,442,584
Total Capital Funds		$10,135,415	$9,554,031
Total net assets		$13,342,360	$15,814,676
TOTAL LIABILITIES AND NET ASSETS		$52,870,115	$55,249,796

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$22,402,227	$25,792,437	$24,822,305
Alberta Infrastructure	$2,833,133	$2,384,491	$2,775,817
Alberta Finance	$1,476,209	$1,476,209	$1,728,823
Other Government of Alberta	$159,526	$76,242	$205,741
Federal Government and/or First Nations	$16,565,379	$15,285,090	$15,873,677
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$0	$0	$0
Transportation fees	$0	$0	$0
Other sales and services	$303,895	$88,290	$115,010
Investment income	$124,601	$135,000	$192,646
Gifts and donations	$257,098	$10,000	$51,014
Rentals of facilities	$755,612	$726,740	$706,895
Net school generated funds	$725,019	$650,000	$560,395
Gains on disposal of capital assets	$79,736	$0	$37,387
Amortization of capital allocations	$2,375,528	$2,353,294	$2,366,312
Total Revenues	$48,057,963	$48,977,793	$49,436,022
EXPENSES			
Certificated salaries	$17,774,076	$17,525,521	$16,914,832
Certificated benefits	$4,196,945	$4,018,271	$4,096,043
Uncertificated salaries and wages	$8,904,344	$8,465,836	$8,451,526
Uncertificated benefits	$1,901,687	$2,093,323	$1,823,182
Services, contracts and supplies	$12,168,183	$11,949,621	$12,342,956
Net school generated funds	$725,019	$650,000	$560,395
Capital and debt services			
Amortization of capital assets			
Supported	$2,375,528	$2,353,294	$2,354,971
Unsupported	$991,391	$973,168	$959,176
Total Amortization of capital assets	$3,366,919	$3,326,462	$3,314,147
Interest on capital debt			
Supported	$1,476,209	$1,476,209	$1,728,823
Unsupported	$1,896	$2,721	$5,124
Total Interest on capital debt	$1,478,105	$1,478,930	$1,733,947
Other interest charges	$9,020	$10,000	$7,652
Losses on disposal of capital assets	$5,981	$0	$14,499
Total Expenses	$50,530,279	$49,517,964	$49,259,179
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($2,472,316)	($540,171)	$176,843
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($2,472,316)	($540,171)	$176,843

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($2,472,316)	$176,843
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,375,528)	($2,366,312)
Total amortization expense	$3,366,919	$3,314,147
Gains on disposal of capital assets	($79,736)	($37,387)
Losses on sale of capital assets	$5,981	$14,499
Changes in accrued accounts:		
Accounts receivable	($2,029,871)	($2,547,382)
Prepaids and other current assets	$31,341	($50,896)
Long term accounts receivable	$270,644	$0
Long term investments	$0	$0
Payables and accrued liabilities	$1,399,071	($2,362,131)
Deferred revenue	($153,917)	($255,470)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($2,037,412)	($4,114,089)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($5,112)
Buildings	($1,525,292)	($1,279,780)
Equipment	($437,086)	($740,813)
Vehicles	($690,463)	($709,551)
Net proceeds from disposal of capital assets	$101,416	$49,240
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,551,425)	($2,686,016)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,200,863	$868,900
Issue of long term debt	$0	$0
Repayment of long term debt	($2,206,022)	($2,293,038)
Add back: supported portion	$2,198,052	$2,285,065
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$1,192,893	$860,927
Net sources (uses) of cash equivalents* during year	($3,395,944)	($5,939,178)
Cash Equivalents at the beginning of the year	$5,244,394	$11,183,572
Cash Equivalents at the end of the year	$1,848,450	$5,244,394

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1280

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$15,814,676	$6,111,447	$4,844,271	$4,858,958	$111,482	$846,921	$0	$1,017,185	$196,446	$436,894	$0	$530,376	$1,108,446	$611,208
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$15,814,676	$6,111,447	$4,844,271	$4,858,958	$111,482	$846,921	$0	$1,017,185	$196,446	$436,894	$0	$530,376	$1,108,446	$611,208
Surplus(def) of revenue over expenses	($2,472,316)		($2,472,316)											
Board funded capital transactions		$1,363,111	$0	($1,363,111)	($376)	($47,590)	$0	($208,177)	$0	($403,222)	$0	($486,595)	($280)	($216,871)
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($3,366,919)	$3,366,919											
Amortization of capital allocations		$2,375,528	($2,375,528)											
Disposal of unsupported capital assets	$0	($27,661)	($73,754)	$101,415		$0		$40,176		$0		$1,234		$60,005
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$7,972	($7,972)											
Net transfers to operating reserves			($186,087)	$186,087	$28,900		$0		$0		$0		$157,187	
Net transfers from operating reserves			$142,428	($142,428)	$0		$0		($142,428)		$0		$0	
Net transfers to capital reserves			($1,490,393)	$1,490,393		$306,520		$149,622		$395,667		$337,834		$300,750
Net transfers from capital reserves			$0	$0				$0		$0		$0		$0
Balance at August 31, 2004	$13,342,360	$6,463,478	$1,747,568	$5,131,314	$140,006	$1,105,851	$0	$998,806	$54,018	$429,339	$0	$382,849	$1,265,353	$755,092

School Jurisdiction Code: 1280

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$493,191	$20,649,770
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$1,180,056	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$10,807	
Other capital grants and donations		$10,000	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$2,198,052
Expended capital allocations - current year		($1,289,730)	$1,289,730
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,375,528
Balance at August 31, 2004		$404,324	$21,762,024

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

Note 1 Authority

Northland School Division No. 61 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3 and also operates under the authority of the Northland School Division Act, Chapter N-5, Revised Statutes of Alberta, 2000.

The Division receives block allocations for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependant on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Externally restricted non-capital contributions are deferred and recognized as revenue in the year when related expenses are incurred.

Fees for service related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the Province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired with the grant.

Unrestricted donations are recognized as revenue when they are received.

(b) Capital Assets

Capital assets are recorded at cost. The cost less an estimated residual value is amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	5 to 40 years
Computers	5 years
Equipment	5 to 10 years
Vehicles	3 to 6 years

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

Note 2 con't

Computers and related equipment are capitalized, together with other capital assets having a cost in excess of $5,000. Any capital allocations received for asset additions are amortized over the same period as the related asset.

(c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues, and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with the school jurisdiction.

(d) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

(e) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

(f) Contributed Services

Volunteers assist schools operated by the Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

(g) Pension Obligation:

The Division participates in the Local Authorities Pension Plan. In addition, the Division's certificated employees are required to contribute to the Teachers' Retirement Fund. These pension plans are multi-employer defined benefit pension plans that provide pensions for the Division's participating employees, based on years of service and earnings.

Pension costs are disclosed as part of salaries and wages and are comprised of the amount of employer contributions required for its employees during the year, based on rates which are expected to provide for benefits payable under the Local Authorities Pension Plan, and the Province's contributions to the Teachers' Retirement Fund for the Division's certificated employees. The Division's portion of the pension plans deficits or surpluses are not recorded by the Division.

(h) Operating and Capital Reserves:

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of unrestricted net assets.

Note 3 Cash and temporary investments

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Note 4 Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, temporary investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, or currency risk arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Note 5 Other Current Assets

Other current assets consist of advances to various hot lunch programs throughout the division.

Note 6 Tuition Fees

Pursuant to agreements, the Minister of Indian and Northern Affairs and certain Indian Bands have agreed to pay to the Board of the Division a per capita share of the annual net operating costs of the Board for each Indian Student enrolled. The calculation of the amount recoverable from the Minister and the Bands is subject to possible future adjustments since all components of the net operating costs must be mutually agreed upon by the Minister or Bands and the Board, as required under the agreements.

Note 7 Accounts Receivable (Net after allowances)

	2004	2003
Short Term		
Province of Alberta	$ 3,573,214	$ 2,385,323
First Nations	5,156,222	4,392,248
Department of Indian Affairs	55,076	31,090
Other Federal Government	303,518	224,559
Other	30,783	55,722
Total Short Term	$ 9,118,813	$ 7,088,942
Long Term		
First Nations	1,187,650	1,458,294
Total Accounts Receivable	$ 10,306,463	$ 8,547,236

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

Note 8 Accounts Payable and Accrued Liabilities

	2004	2003
Trade payables	$ 2,741,528	$ 1,989,405
Wage payable accrual	513,143	-
Federal Government payable	401,544	336,434
Holdbacks payable	156,173	92,973
Security deposits payable	41,351	35,856
	$ 3,853,739	$ 2,454,668

Note 9 Deferred Revenue

	2004	2003
Block BQRP funding	$ 301,480	$ 441,318
One Time Operations & Maintenance support	-	389,016
Operations & Maintenance support	390,485	-
2001-2002 Modernization grant	263,811	284,706
2000-2001 Modernization grant	53,693	100,290
1999 One Time per Capita Grant	-	12,321
Alberta Initiative for School Improvement	148,542	121,235
Other Provincial Revenue	81,059	26,946
Scholarships	38,075	-
Donations	48,100	103,330
	$ 1,325,245	$ 1,479,162

Note 10 Commitments

Lease Obligations

The Division leases certain buildings and office equipment under operating leases. The future minimum lease payments under operating leases are as follows:

2005	143,402
2006	112,344
2007	72,450
2008	33,610
2009	28,285
	$390,091

Note 11 Long-term Debt

The school division has issued the following debentures to the Alberta Capital Finance Authority (A.C.F.A.) to finance purchase of land, school buildings and some residences having a carrying value of $37,145,026. The interest rates on these debentures range from 7 3/4% to 12%.

		2004	2003
Total debentures owing to A.C.F.A.		$ 11,904,761	$ 14,110,783
Less due within one year	- Supported	2,168,475	2,198,052
	- Unsupported	1,925	7,973
		$ 9,734,361	$ 11,904,758

Principal & interest repayments required during each of the next five fiscal years are as follows:

	Principal	Interest	Total
2004-2005	$ 2,170,400	$ 1,230,983	$3,401,383
2005-2006	2,163,680	988,502	3,152,182
2006-2007	2,041,577	741,636	2,783,213
2007-2008	1,735,423	492,018	2,227,441
2009 to maturity	3,793,681	661,052	4,454,733
Total	$ 11,904,761	$ 4,114,191	$ 16,018,952

Principal repayments and interest on the above debentures, with the exception of 5 debentures totaling $19,247 as at August 31, 2004, (2003 - $27,218) are funded by Alberta Finance.

Note 12 Pension Costs

The pension expense recorded in these financial statements is equivalent to the Division's annual contributions payable of $319,811 for the year ended August 31, 2004 (2003 - $276,201). The Division has also recorded in these financial statements contributions made to Teachers' Retirement Fund in the amount of $2,277,282 for the year ending August 31, 2004 (2003 - $2,107,087). Under the terms of the Teachers' Pension Plan Act, the Division does not make pension contributions for certificated staff, these contributions are made by the Alberta Government.

As of December 31, 2003 the Local Authorities Pension Plan reported a deficit of $1,410,987,000 (2002 deficit of - $444,980,000). At August 31, 2003 the Teachers' Retirement Fund reported a deficit of $5,995,466,000 (2002 - $5,747,600,000).

Note 13 Residential Schools

A number of claims have been filed against the Government of Canada. The Division has been named as a third party with the Government in these claims in regards to programs offered by the Division from the early 1960's to the early 1970's. In one of the claims the division has been named as a defendant. The Division has entered into an indemnity agreement in which the Province of Alberta has agreed to indemnify Northland School Division for these claims and related costs incurred.

NORTHLAND SCHOOL DIVISION NO. 61
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

Note 14 Budget Amounts

The budget was prepared by the Division's management with Board of Trustees approval given on June 21, 2003. The budget amounts have been adjusted to include contributions made by the Government of Alberta to the Teachers' Retirement Fund for comparative purposes.

Note 15 Economic Dependence on Related Third Party

Northland School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

Note 16 Presentation of Comparative Information

Certain figures have been reclassified to conform to current year's presentation.

Note 17 Approval of Financial Statements

These financial statements were prepared by management and approved by the Board of Trustees on December 2, 2004.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 1280

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$12,628,128	$900,575	$11,727,553						
(2) Support block	$3,297,510				$2,159,623			$1,137,887	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$319,013	$0	$319,013						
(5) Student Health Initiative (SHI)	$5,778	$0	$5,778						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$921,000	$0	$921,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$5,230,798	$64,021	$2,283,472	$0	$0			$29,237	$2,854,068
(11) **Total Alberta Learning Revenue**	$22,402,227	$964,596	$15,256,816	$0	$2,159,623			$1,167,124	$2,854,068
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$271,201			$271,201					
(13) Operations & Maintenance support	$2,092,733			$2,092,733					
(14) Operations & Maintenance support (One-Time)	$469,199			$469,199					
(15) **Total Alberta Infrastructure Revenue**	$2,833,133			$2,833,133					
(16) **Alberta Finance**	$1,476,209			$1,346,098					$130,111
(17) **Other - Government of Alberta**	$159,526	$0	$35,425	$0	$0			$0	$124,101
(18) **Federal Government and/or First Nations**	$16,565,379	$477,885	$10,291,615	$2,173,016	$964,773			$1,148,948	$1,509,142
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$0	$0	$0						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$303,895	$0	$42,318	$56,868	$2,602			$9,685	$192,422
(25) **Investment income**	$124,601	$0	$99,078	$0	$0			$0	$25,523
(26) **Gifts and donations**	$257,098	$0	$207,443	$49,655	$0				$0
(27) **Rentals of facilities**	$755,612		$0	$9,000	$0			$0	$746,612
(28) **Net school generated funds**	$725,019	$0	$725,019	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$79,736		$2,803	$16,630	$300			$0	$60,003
(30) **Amortization of capital allocations**	$2,375,528		$22,884	$2,213,504	$0				$139,140
(31) **TOTAL REVENUES**	$48,057,963	$1,442,481	$26,683,401	$8,697,904	$3,127,298			$2,325,757	$5,781,122
EXPENSES									
(32) **Certificated salaries**	$17,774,076	$497,148	$15,789,108				$227,035	$227,035	$1,260,785
(33) **Certificated benefits**	$4,196,945	$121,461	$3,728,401				$48,120	$48,120	$298,963
(34) **Uncertificated salaries and wages**	$8,904,344	$545,272	$4,388,437	$1,762,089	$726,956	$158,605	$732,510	$891,115	$590,475
(35) **Uncertificated benefits**	$1,901,68[illegible]	$119,091	$938,754	$386,726	$168,612	$3,291	$164,603	$167,894	$120,610
(36) **SUB - TOTAL**	$32,777,0[illegible]	$1,282,972	$24,844,700	$2,148,815	$895,568	$161,896	$1,172,268	$1,334,164	$2,270,833
(37) **Services, contracts & supplies**	$12,168,163	$100,811	$3,239,428	$3,025,147	$2,048,726	$643,440	$406,315	$1,049,755	$2,704,316
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	($220,100)	$0	$0	$0	$0	$220,100
(39) **Net school generated funds**	$725,019	$0	$725,019	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,375,528	$0	$22,884	$2,213,504	$0		$0	$0	$139,140
(41) Unsupported	$991,391	$0	$225,428	$89,555	$345,722	$0	$121,354	$121,354	$209,332
(42) Total Amortization	$3,366,919	$0	$248,312	$2,303,059	$345,722	$0	$121,354	$121,354	$348,472
Interest on capital debt									
(43) Supported	$1,476,209	$0	$0	$1,346,098	$0		$0	$0	$130,111
(44) Unsupported	$1,896	$0	$0	$0	$0	$0	$0	$0	$1,896
(45) Other interest charges	$9,020	$0	$2,262	$0	$0		$6,738	$6,738	$20
(46) Losses on disposal of capital assets	$5,981	$0	$4,305	$65	$66	$0	$1,433	$1,433	$112
(47) **TOTAL EXPENSES**	$50,530,279	$1,383,783	$29,064,026	$8,603,084	$3,290,082	$805,336	$1,708,108	$2,513,444	$5,675,860
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($2,472,316)	$58,698	($2,380,625)	$94,820	($162,784)			($187,687)	$105,262

School Jurisdiction Code: 1280

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$10,561,328	$1,804,400	$548,745	$1,653,658	$1,138,878	$82,099	$0	$15,789,108
Certificated benefits	$2,531,869	$411,684	$114,777	$387,161	$265,290	$17,620	$0	$3,728,401
Uncertificated salaries and wages	$2,480,770	$691,061	$113,863	$165,029	$904,463	$29,369	$3,882	$4,388,437
Uncertificated benefits	$523,778	$168,485	$28,794	$31,028	$182,340	$4,104	$225	$938,754
SUB - TOTAL REMUNERATION	$16,097,745	$3,075,630	$806,179	$2,236,876	$2,490,971	$133,192	$4,107	$24,844,700
Services, contracts & supplies	$1,932,387	$767,386	$258,293	$0	$84,969	$196,393	$0	$3,239,428
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$725,019							$725,019
Amortization of capital assets								
Supported	$22,884	$0	$0					$22,884
Unsupported	$200,200	$0	$25,228					$225,428
Total Amortization	$223,084	$0	$25,228					$248,312
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$2,262	$0						$2,262
Losses on disposal of capital assets	$4,305	$0						$4,305
TOTAL EXPENSES	$18,984,802	$3,843,016	$1,089,700	$2,236,876	$2,575,940	$329,585	$4,107	$29,064,026
FTE Certificated				28.5	20.7			
FTE Uncertificated				5.5	33.7			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$6,774,481	$3,375,066	$9,881,592	$0	$20,031,139	$19,188,554	$842,585
School Admin & Instruction Support Expenses						$3,843,016	($3,843,016)
System Instruction Support Expenses						$1,089,700	($1,089,700)
Total Basic Instruction	$6,774,481	$3,375,066	$9,881,592	$0	$20,031,139	$24,121,270	($4,090,131)
Sub-Programs & Initiatives							
Severely Disabled	$834,852	$119,285	$1,152,478		$2,106,615	$2,575,940	($469,325)
English as a Second Language	$591,008				$591,008	$658,542	($67,534)
Enhanced Opportunities	$42,840				$42,840	$34,498	$8,342
First Nations, Metis, and Inuit Education	$423,055		$392,515		$815,570	$1,005,614	($190,044)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$2,800,917				$2,800,917		$2,800,917
Growth & Density	$10,604				$10,604		$10,604
Teacher Assistants Program	$43,457				$43,457	$51,758	($8,301)
Early Literacy Initiative (K-2)	$83,776				$83,776	$151,600	($67,824)
Learning Resources Credit & Resources for the Classroom	$30,024	$34,912	$0		$64,936	$291,236	($226,300)
Technology Integration	$68,684		$0		$68,684	$152,731	($84,047)
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$23,855		$0		$23,855	$20,837	$3,018
Total Sub-Programs & Initiatives	$4,953,072		$1,544,993		$6,652,262	$4,942,756	$1,709,506
INSTRUCTION, GRADES 1-12	$11,727,553	$3,529,263	$11,426,585	$0	$26,683,401	$29,064,026	($2,380,625)

School Jurisdiction Code: 1280

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$12,559,444
Support Block - Transportation	$2,159,623
SUBTOTAL	$14,719,067

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,092,733
Teacher Salary Enhancement	$921,000
Other Alberta Learning revenues (Describe)	$2,755,857
Other - Government of Alberta (Excluding Alberta Finance)	$159,526
Federal government/First Nations	$16,565,379
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$303,895
Interest on investments	$124,601
Rentals of facilities	$755,612
Gains on disposal of capital assets	$79,736
Amortization of capital allocations	$2,375,528
School generated funds (Schedule E)	$743,836
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$41,596,770**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**5.70%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,371,016

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,371,016**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,513,444
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$142,428
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,371,016
Maximum Expense Limit for Board & System Administration (Step 3)	$2,371,016
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 1280

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$247,546
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$743,836	
Less: SGF - related cost recoveries (Note 3)	$27,024	
- capitalized at the District level (Note 4)	$0	
Net Total	$716,812	
Plus: Donations Received (Note 5)	$38,323	
Equals: Net Additions to SGF		$755,135
Net SGF Available for discretionary spending		$1,002,681
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$725,019
Unexpended SGF - Closing Balance August 31, 2004		$277,662

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1280

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,074,289	$441,951	$0	$0	$245,849	$1,762,089		$1,762,089
Uncertificated benefits	$253,589	$89,986	$0	$0	$43,151	$386,726		$386,726
Sub-total Remuneration	$1,327,878	$531,937	$0	$0	$289,000	$2,148,815		$2,148,815
Contracted Services	$4,985	$1,201,029	$0	$271,201	$18,627	$1,495,842		$1,495,842
Supplies	$138,778	$76,689	$0	$0	$3,694	$219,161		$219,161
Electricity			$619,851			$619,851		$619,851
Natural Gas/Heating Fuel			$527,004			$527,004		$527,004
Sewer and Water			$60,673			$60,673		$60,673
Telecommunications			$24,386			$24,386		$24,386
Insurance					$78,230	$78,230		$78,230
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$2,213,504	$2,213,504
Unsupported						$89,555		$89,555
Total Amortization						$89,555	$2,213,504	$2,303,059
Interest on capital debt								
Supported							$1,346,098	$1,346,098
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$65		$65
Cost recoveries & transfers						($220,100)		($220,100)
TOTAL EXPENSES	$1,471,641	$1,809,655	$1,231,914	$271,201	$389,551	$5,043,482	$3,559,602	$8,603,084
SQUARE METRES								
School Buildings								44,844.0
Non School Buildings								548.2
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	37.2	8.0						
Contracted Services	0.0	0.0						

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications

Expensed IMP & Portable Relocations: All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1280

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Noskey, Steve	1.0	$32,038	$265	$0			$32,303	$44,786
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	as attached	23.0	$115,973	$2,895	$0			$118,868	$247,687
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*24.0*	*$148,011*	*$3,160*	*$0*			*$151,171*	*$292,473*
Superintendent	Ramrattan, Annette	1.0	$122,400	$21,728	$0	$0	$0	$144,128	$33,053
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Leithead, Len	1.0	$98,535	$16,471	$0	$0	$0	$115,006	$13,248
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		259.6	$17,561,524	$4,175,217	$0	$0	$0	$21,736,741	
Uncertificated Salaries & Wages		286.1	$8,573,529	$2,056,477	$0	$0	$0	$10,630,006	
TOTALS			**$26,503,999**	**$6,273,053**	**$0**	**$0**	**$0**	**$32,777,052**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code: 8050

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

CONSEIL SCOLAIRE DU NORD-OUEST No 1
Legal Name of School Jurisdiction

C.P. 1220, ST. ISIDORE, ALBERTA T0H 3B0
Mailing Address

780-624-8855 780-624-8554
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules CONSEIL SCOLAIRE DU NORD-OUEST No 1 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
CHANTAL MONFETTE	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
DOLORÈSE NOLETTE	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
ANITA BELZILE	"ORIGINAL SIGNED"

8-Dec-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

SYLVAIN & DORAN
Certified General Accountants

Michel A. Sylvain, C.G.A.*
Jean R. Sylvain, C.G.A.*
Gary Doran, C.G.A.

P.O. Box 5
Falher, Alberta T0H 1M0
Telephone: (780) 837-2401
Facsimile: (780) 837-3434
Email: sylvdora@telusplanet.net

AUDITORS' REPORT

To the Board of Trustees,
REGIONAL AUTHORITY OF THE NORTHWEST
FRANCOPHONE EDUCATION REGION NO. 1

We have audited the statement of financial position of the Regional Authority of THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generraly accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Falher, Alberta
November 9, 2004

Sylvain & Doran
CERTIFIED GENERAL ACCOUNTANTS

*DENOTES CERTIFIED GENERAL ACCOUNTANT WHOSE PROFESSIONAL CORPORATION IS A MEMBER OF THE PARTNERSHIP

School Jurisdiction Code: 8050

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 Restated
ASSETS			
Current assets			
Cash and temporary investments		$326,941	$369,388
Accounts receivable (net after allowances)		$302,277	$366,513
Prepaid expenses		$38,213	$50,966
Other current assets		$16,129	$16,508
Total current assets		$683,560	$803,375
School generated assets		$68,169	$58,643
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$11,747	$11,773
Capital assets			
Land		$75,000	$75,000
Buildings	$5,399,953		
Less: accumulated amortization	($1,037,261)	$4,362,692	$4,550,251
Equipment	$100,433		
Less: accumulated amortization	($69,527)	$30,906	$40,233
Vehicles	$339,907		
Less: accumulated amortization	($282,431)	$57,476	$85,461
Total capital assets		$4,526,074	$4,750,945
TOTAL ASSETS		$5,289,550	$5,624,736
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$69,596	$141,408
Deferred revenue		$93,545	$77,198
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$163,141	$218,606
School generated liabilities		$68,169	$58,643
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$4,080,899	$4,261,294
Total long term liabilities		$4,149,068	$4,319,937
TOTAL LIABILITIES		$4,312,209	$4,538,543
NET ASSETS			
Unrestricted net assets		$27,405	$110,396
Operating Reserves		$160,813	$150,333
Accumulated Operating Surplus (Deficit)		$188,218	$260,729
Investment in capital assets		$445,175	$489,651
Capital Reserves		$343,948	$335,813
Total Capital Funds		$789,123	$825,464
Total net assets		$977,341	$1,086,193
TOTAL LIABILITIES AND NET ASSETS		$5,289,550	$5,624,736

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$2,980,171	$2,832,429	$2,751,244
Alberta Infrastructure	$414,131	$324,296	$795,109
Alberta Finance	$0	$0	$0
Other Government of Alberta	$891	$0	$0
Federal Government and/or First Nations	$118,200	$88,228	$50,054
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$12,971	$13,533	$12,682
Transportation fees	$0	$0	$0
Other sales and services	$16,182	$14,865	$16,464
Investment income	$6,319	$5,000	$18,860
Gifts and donations	$0	$0	$500
Rentals of facilities	$0	$500	$300
Net school generated funds	$23,609	$15,500	$6,368
Gains on disposal of capital assets	$1,250	$0	$1,383
Amortization of capital allocations	$180,395	$176,925	$149,671
Total Revenues	$3,754,119	$3,471,276	$3,802,635
EXPENSES			
Certificated salaries	$1,688,878	$1,878,545	$1,713,379
Certificated benefits	$205,495	$199,703	$191,818
Uncertificated salaries and wages	$453,429	$489,004	$456,730
Uncertificated benefits	$66,560	$98,361	$70,932
Services, contracts and supplies	$1,196,854	$1,263,036	$1,565,840
Net school generated funds	$23,609	$15,500	$6,368
Capital and debt services			
Amortization of capital assets			
Supported	$180,395	$176,925	$149,671
Unsupported	$46,010	$3,000	$42,321
Total Amortization of capital assets	$226,405	$179,925	$191,992
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$1,741	$0	$2,278
Losses on disposal of capital assets	$0	$0	$3,955
Total Expenses	$3,862,971	$4,124,074	$4,203,292
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($108,852)	($652,798)	($400,657)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($108,852)	($652,798)	($400,657)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 8050

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($108,852)	($400,657)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($180,395)	($149,671)
Total amortization expense	$226,405	$191,992
Gains on disposal of capital assets	($1,250)	($1,383)
Losses on sale of capital assets	$0	$3,955
Changes in accrued accounts:		
Accounts receivable	$64,236	($230,058)
Prepaids and other current assets	$13,132	($6,242)
Long term accounts receivable	$0	$0
Long term investments	$26	($42)
Payables and accrued liabilities	($71,812)	($137,423)
Deferred revenue	$16,347	($212,401)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($42,163)	($941,930)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,534)	($656,847)
Equipment	$0	($33,619)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$1,250	$28,355
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($284)	($662,111)
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$44,425
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	$44,425
Net sources (uses) of cash equivalents* during year	($42,447)	($1,559,616)
Cash Equivalents at the beginning of the year	$369,388	$1,929,004
Cash Equivalents at the end of the year	$326,941	$369,388

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

School Jurisdiction Code: 6050

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$1,086,193	$489,651	$110,396	$486,146	$131,522	$117,769	$0	$0	$0	$0	$0	$218,044	$18,811	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$1,086,193	$489,651	$110,396	$486,146	$131,522	$117,769	$0	$0	$0	$0	$0	$218,044	$18,811	$0
Surplus(def) of revenue over expenses	($108,852)		($108,852)											
Board funded capital transactions		$1,534	($1,534)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($226,405)	$226,405											
Amortization of capital allocations		$180,395	($180,395)											
Disposal of unsupported capital assets	$0	$0	($1,250)	$1,250		$1,250		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($10,480)	$10,480	$10,480		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($6,885)	$6,885		$6,885		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$977,341	$445,175	$27,405	$504,761	$142,002	$125,904	$0	$0	$0	$0	$0	$218,044	$18,811	$0

School Jurisdiction Code: 8050

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$0	$4,261,294
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$180,395
Balance at August 31, 2004		$0	$4,080,899

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1
AUDITORS' NOTES TO THE FINANCIAL STATEMENTS
for the year ended August 31, 2004

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings - masonry and cement	2.5%
- wood frame or renovations	4.0%
Building site improvements	5.0%
Vehicles & buses	10.0%
Equipment	20.0%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Regional Authority of the Northwest Francophone Education Region No. 1 does not make pension contributions for certificated staff.

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are specific school supplies, which will be consumed subsequent to the year-end, and are afccordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established and the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Investments

Investments are recorded at the lower of cost and market value.

REGIONAL AUTHORITY OF THE NORTHWEST FRANCOPHONE EDUCATION REGION NO. 1

AUDITORS' NOTES TO THE FINANCIAL STATEMENTS

for the year ended August 31, 2004

3. ACCOUNTS RECEIVABLES

	2004	2003
	$	$
Province of Alberta	166,845	304,121
Federal Government	114,463	32,478
Alberta Municipalities	-	-
Other Alberta School Jurisdictions	-	-
Other	20,969	29,914
	302,277	366,513

4. CAPITAL ASSETS AND ACCUMULATED AMORTIZATION

	2003			2004
	$	$	$	$
CAPITAL ASSETS	Cost	Additions	Disposals	Cost
Land	75,000	-	-	75,000
Buildings	5,398,419	1,534	-	5,399,953
Equipment	100,433	-	-	100,433
Vehicles	345,907	-	6,000	339,907
	5,919,759	1,534	6,000	5,915,293
ACCUMULATED AMORTIZATION	Balance	Additions	Deductions	Balance
Buildings	848,168	189,093	-	1,037,261
Equipment	60,200	9,327	-	69,527
Vehicles	260,446	27,985	6,000	282,431
	1,168,814	226,405	6,000	1,389,219
Net book value	4,750,945			4,526,074

5. BANK INDEBTEDNESS

The jurisdiction has an overdraft protection agreement in the amount of $140,000 that bears interest at the bank prime rate + 1.0%. This overdraft agreement is secured by funds held in savings account. There was no balance outstanding on the overdraft agreement at August 31, 2004.

6. ACCOUNTS PAYABLE AND LIABILITIES

	2004	2003
	$	$
Province of Alberta	14,215	48,889
Federal Government	-	-
Alberta Municipalities	-	-
Other Alberta School Jurisdictions	-	1,986
Other Trade Payables and Accrued Liabilities	55,381	90,533
	69,596	141,408

7. DEFFERED REVENUE

	2004	2003
	$	$
Unspent portion 2003 - 2004 O&M funding	75,000	-
One Time Operations & Maintenance support	-	51,110
Infrastructure Maintenance Program	12,793	-
Block BQRP funding	5,752	23,580
Other	-	2,508
	93,545	77,198

8. DEFERRED CAPITAL ALLOCATIONS

Capital allocations received for qualifying capital projects initiated by the jurisdiction have been capitalized. These allocations are amortized on a basis consistent with the capital asset that the allocation funded.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations (UCA) represents the jurisdiction's net investment in capital assets (other than land and equipment) purchased prior to September 1, 1995. The total debenture payments increase the balance in the UCA account, with the amortization expense on related assets acting as a deduction to the account. Transfers from the deferred capital allocation account also increase the balance in the UCA account.

10. INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

	2003 Balance	Appropriated	Utilized	2004 Balance
	$	$	$	$
Operating				
School - instruction	131,522	11,979	1,499	142,002
School - operation and maintenance	-	-	-	-
System administration	-	-	-	-
Transportation	-	-	-	-
External services	18,811	-	-	18,811
	150,333	11,979	1,499	160,813
Capital				
Land	-	-	-	-
Buildings	-	-	-	-
Equipment	117,769	8,135	-	125,904
Vehicles	218,044	-	-	218,044
	335,813	8,135	-	343,948
	486,146	20,114	1,499	504,761

11. COMMITMENTS

a) An operating lease agreement for a Canon photocopier was signed in December 2003. The quarterly lease payments of $407.07 plus G.S.T. total $6,097.84 over a forty-two month period (last payment due May 1, 2007).

b) An operating lease agreement for office space was signed in August 2002. The annual lease payments of $16,000 total $48,000 over a three year period (lease in effect to August 31, 2005).

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Regional Authority of the Northwest Francophone Education Region No. 1 primary source of income is from the Alberta Government. The Regional Authority's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the School jurisdiction management with Board of Trustees approval on June 26, 2003. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

The Budget 2004 and Actual 2003 comparative figures have been reclassified where necessary to conform to Actual 2004 presentation. Other current assets (2003) has been decreased to $16,508 and long-term investments has been increased to $11,773 to be comparative with 2004 classification of co-operative equities as long-term investments.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$1,920,589	$113,826	$1,806,763						
(2) Support block	$916,958				$516,958			$400,000	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$32,160	$0	$32,160						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$85,000	$7,650	$77,350					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$25,464	$592	$24,872	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$2,980,171	$122,068	$1,941,145	$0	$516,958			$400,000	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$94,436			$94,436					
(13) Operations & Maintenance support	$268,585			$268,585					
(14) Operations & Maintenance support (One-Time)	$51,110			$51,110					
(15) **Total Alberta Infrastructure Revenue**	$414,131			$414,131					
(16) **Alberta Finance**	$0			$0					$0
(17) **Other - Government of Alberta**	$891	$0	$0	$891	$0			$0	$0
(18) **Federal Government and/or First Nations**	$118,200	$44,146	$74,054	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$12,971	$0	$12,971						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$16,182	$0	$310	$340	$15,532			$0	$0
(25) **Investment income**	$6,319	$0	$6,319	$0	$0			$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$0		$0	$0	$0			$0	$0
(28) **Net school generated funds**	$23,609	$0	$23,609	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$1,250		$0	$0	$1,250			$0	$0
(30) **Amortization of capital allocations**	$180,395		$0	$177,448	$2,947				$0
(31) **TOTAL REVENUES**	$3,754,119	$166,214	$2,058,408	$592,810	$536,687			$400,000	$0
EXPENSES									
(32) **Certificated salaries**	$1,688,878	$123,814	$1,483,112				$81,952	$81,952	$0
(33) **Certificated benefits**	$205,495	$17,039	$180,695				$7,761	$7,761	$0
(34) **Uncertificated salaries and wages**	$453,429	$21,511	$279,535	$15,419	$24,949	$15,030	$96,985	$112,015	$0
(35) **Uncertificated benefits**	$66,560	$1,446	$41,273	$2,335	$4,149	$2,163	$15,194	$17,357	$0
(36) **SUB - TOTAL**	$2,414,362	$163,810	$1,984,615	$17,754	$29,098	$17,193	$201,892	$219,085	$0
(37) **Services, contracts & supplies**	$1,196,854	$6,260	$292,952	$385,621	$406,817	$20,213	$84,991	$105,204	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$23,609	$0	$23,609	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$180,395	$0	$0	$177,448	$2,947		$0	$0	$0
(41) Unsupported	$46,010	$0	$9,327	$11,645	$25,038	$0	$0	$0	$0
(42) Total Amortization	$226,405	$0	$9,327	$189,093	$27,985	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$1,741	$0	$0	$0	$0		$1,741	$1,741	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$3,862,971	$170,070	$2,310,503	$592,468	$463,900	$37,406	$288,624	$326,030	$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($108,852)	($3,856)	($252,095)	$342	$72,787			$73,970	$0

School Jurisdiction Code: 8050

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$1,128,186	$182,799	$13,023	$79,939	$66,187	$12,978	$0	$1,483,112
Certificated benefits	$141,333	$18,047	$1,217	$9,832	$8,017	$2,249	$0	$180,695
Uncertificated salaries and wages	$118,821	$111,239	$33,647	$7,267	$8,561	$0	$0	$279,535
Uncertificated benefits	$15,319	$18,622	$4,713	$1,120	$1,499	$0	$0	$41,273
SUB - TOTAL REMUNERATION	$1,403,659	$330,707	$52,600	$98,158	$84,264	$15,227	$0	$1,984,615
Services, contracts & supplies	$147,912	$80,084	$20,741	$11,681	$15,602	$16,932	$0	$292,952
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$23,609							$23,609
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$9,327	$0	$0					$9,327
Total Amortization	$9,327	$0	$0					$9,327
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$1,584,507	$410,791	$73,341	$109,839	$99,866	$32,159	$0	$2,310,503
FTE Certificated				1.4	1.0			
FTE Uncertificated				0.3	0.4			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$1,169,317	$121,074	$72,165	$0	$1,362,556	$1,560,420	($197,864)
School Admin & Instruction Support Expenses						$410,791	($410,791)
System Instruction Support Expenses						$73,341	($73,341)
Total Basic Instruction	$1,169,317	$121,074	$72,165	$0	$1,362,556	$2,044,552	($681,996)
Sub-Programs & Initiatives							
Severely Disabled	$92,335	$4,015	$0		$96,350	$99,866	($3,516)
English as a Second Language	$29,440				$29,440	$29,938	($498)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$444,235				$444,235		$444,235
Growth & Density	$11,559				$11,559		$11,559
Teacher Assistants Program	$6,669				$6,669	$9,576	($2,907)
Early Literacy Initiative (K-2)	$14,688				$14,688	$19,817	($5,129)
Learning Resources Credit & Resources for the Classroom	$2,615	$9,293	$12,971		$24,879	$37,221	($12,342)
Technology Integration	$11,132		$0		$11,132	$11,132	$0
French Language Program & Francisation (all jurisdictions)	$21,344		$32,127		$53,471	$57,110	($3,639)
Home Education	$3,429		$0		$3,429	$1,291	$2,138
Total Sub-Programs & Initiatives	$637,446		$45,098		$695,852	$265,951	$429,901
INSTRUCTION, GRADES 1-12	$1,806,763	$134,382	$117,263	$0	$2,058,408	$2,310,503	($252,095)

School Jurisdiction Code: 8050

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$1,909,457
Support Block - Transportation	$516,958
SUBTOTAL	$2,426,415

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$268,585
Teacher Salary Enhancement	$85,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$891
Federal government/First Nations	$118,200
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$16,182
Interest on investments	$6,319
Rentals of facilities	$0
Gains on disposal of capital assets	$1,250
Amortization of capital allocations	$180,395
School generated funds (Schedule E)	$134,289
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$3,237,526**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4% If "Total Net Enrolled Students" are 2,000 and less = 6%	6.00%

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$194,252

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	400,000	$400,000
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$400,000**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$326,030
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$326,030
Maximum Expense Limit for Board & System Administration (Step 3)	$400,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$73,970

School Jurisdiction Code: 8050

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$58,643
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$134,289	
Less: SGF - related cost recoveries (Note 3)	$101,154	
- capitalized at the District level (Note 4)	$0	
Net Total	$33,135	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$33,135
Net SGF Available for discretionary spending		$91,778
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$23,609
Unexpended SGF - Closing Balance August 31, 2004		$68,169

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 8050

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0		$0	$1,186	$14,233	$15,419		$15,419
Uncertificated benefits	$0		$0	$92	$2,243	$2,335		$2,335
Sub-total Remuneration	$0	$0	$0	$1,278	$16,476	$17,754		$17,754
Contracted Services	$97,640	$67,517	$0	$62,599	$14,843	$242,599		$242,599
Supplies	$12,408		$0	$16,994	$0	$29,402		$29,402
Electricity			$58,158			$58,158		$58,158
Natural Gas/Heating Fuel			$35,788			$35,788		$35,788
Sewer and Water			$8,440			$8,440		$8,440
Telecommunications			$0			$0		$0
Insurance					$11,234	$11,234		$11,234
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$177,448	$177,448
Unsupported						$11,645		$11,645
Total Amortization						$11,645	$177,448	$189,093
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$110,048	$67,517	$102,386	$80,871	$42,553	$415,020	$177,448	$592,468
SQUARE METRES								
School Buildings								6,043.5
Non School Buildings								495.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	2.1	0.7						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications.
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 8050

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	CHANTAL MONFETTE	1.0	$5,550	$32	$0			$5,582	$2,549
Name		0.0	$0		$0			$0	$0
Other Board Members:									
Name	CLAIRE ANCTIL	1.0	$2,280	$2,035	$0			$4,315	$673
Name	WANDA LAURIN	1.0	$1,720	$32	$0			$1,752	$271
Name	MARIO PARADIS	1.0	$3,410	$32	$0			$3,442	$2,553
Name	GUY NORMANDEAU	1.0	$2,070	$32	$0			$2,102	$764
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$15,030*	*$2,163*	*$0*			*$17,193*	*$6,810*
Superintendent	DENISE BOURASSA	0.1	$15,607	$616	$0	$0		$16,223	$0
Acting superintend.	DOLORESE NOLETTE	0.9	$75,836	$7,144	$0	$0	$0	$82,980	$9,338
Secretary/Treasurer	ANITA BELZILE	1.0	$56,805	$7,258	$0	$0	$0	$64,063	$1,409
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		26.0	$1,606,926	$197,735	$0	$0	$0	$1,804,661	
Uncertificated Salaries & Wages		11.8	$381,594	$57,139	$0	$0	$0	$438,733	
TOTALS			$2,151,798	$272,055	$0	$0	$0	$2,423,853	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

Superintendent position was contracted out to Denise Bourassa for the period Oct/03 to Aug 31/04. The total amount of contractual payments made to Denise Bourassa during Oct/ 03 to Aug 31/04 amounts to $9,491. The wages and benefits $6,732 reported above for Denise Bourassa represent employment earnings for Sept/03. Please note that for Oct/03 to Aug/04 Dolorese Nolette assumed 90% of the superintendent responsabilities therefore 9 FTE of her earnings are disclosed above

School Jurisdiction Code 2255

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Palliser Regional Division No. 26
Legal Name of School Jurisdiction

#101, 3305 - 18th Ave North Lethbridge, Alberta, T1H 5S1
Mailing Address

Telephone: (403) 328-4111 Fax: (403) 380-6890
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Palliser Regional Division No. 26
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Donald Zech	**"ORIGINAL SIGNED"**
Name	Signature

SUPERINTENDENT

Dr. Garry Andrews	**"ORIGINAL SIGNED"**
Name	Signature

SECRETARY TREASURER OR TREASURER

Mr. Laurie Marston	**"ORIGINAL SIGNED"**
Name	Signature

26-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

BDO

BDO Dunwoody LLP
Chartered Accountants
and Consultants

200 Southland Terrace
220 3rd Avenue South
Lethbridge Alberta Canada T1J 0G9
Telephone: (403) 328-5292
Fax (403) 328-9534

AUDITORS' REPORT

To the Board of Trustees of the
Palliser Regional Division No. 26

We have audited the statement of financial position of the Palliser Regional Division No. 26 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purposes of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BDO Dunwoody LLP
Chartered Accountants

Lethbridge, Alberta
November 5, 2004

School Jurisdiction Code: 2255

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 As Restated
ASSETS			
Current assets			
Cash and temporary investments		$4,152,742	$2,176,313
Accounts receivable (net after allowances)		$904,968	$1,715,542
Prepaid expenses		$219,325	$96,405
Other current assets		$12,965	$46,164
Total current assets		$5,290,000	$4,034,424
School generated assets		$525,405	$525,698
Trust assets		$168,807	$169,835
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$340,000	$340,000
Buildings	$39,185,018		
Less: accumulated amortization	($17,576,763)	$21,608,255	$20,329,028
Equipment	$2,486,566		
Less: accumulated amortization	($1,212,984)	$1,273,582	$1,730,536
Vehicles	$6,100,789		
Less: accumulated amortization	($3,465,034)	$2,635,755	$2,865,880
Total capital assets		$25,857,592	$25,265,444
TOTAL ASSETS		$31,841,804	$29,995,401
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,838,014	$1,783,137
Deferred revenue		$430,659	$373,819
Deferred capital allocations		$973,375	$347,500
Current portion of all long term debt		$563,769	$591,397
Total current liabilities		$3,805,817	$3,095,853
School generated liabilities		$525,405	$525,698
Trust liabilities		$168,807	$169,835
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$4,730,931	$5,185,842
	Less: Current portion of supported debt	($429,012)	($454,912)
Unsupported:	Debentures and Capital Loans	$306,191	$454,341
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($134,757)	($136,485)
Unamortized capital allocations		$15,380,665	$13,924,311
Total long term liabilities		$20,548,230	$19,668,630
TOTAL LIABILITIES		$24,354,047	$22,764,483
NET ASSETS			
Unrestricted net assets		$136,197	$0
Operating Reserves		$993,375	$1,068,117
Accumulated Operating Surplus (Deficit)		$1,129,572	$1,068,117
Investment in capital assets		$5,439,814	$5,700,948
Capital Reserves		$918,371	$461,853
Total Capital Funds		$6,358,185	$6,162,801
Total net assets		$7,487,757	$7,230,918
TOTAL LIABILITIES AND NET ASSETS		$31,841,804	$29,995,401

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 2255

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003 As Restated
REVENUES			
Alberta Learning	$26,923,786	$26,427,635	$26,028,617
Alberta Infrastructure	$2,777,495	$2,819,232	$3,029,011
Alberta Finance	$485,577	$507,528	$529,741
Other Government of Alberta	$111,144	$107,299	$65,214
Federal Government and/or First Nations	$548,287	$458,611	$573,438
Other Alberta school authorities	$13,418	$0	$10,830
Out of province authorities	$0	$0	$0
Alberta Municipalities	$9,000	$9,000	$9,000
Instruction resource fees	$143,485	$375,017	$247,316
Transportation fees	$37,600	$155,700	$27,015
Other sales and services	$477,645	$32,600	$327,618
Investment income	$125,557	$63,375	$159,077
Gifts and donations	$22,725	$0	$6,204
Rentals of facilities	$390,544	$366,180	$353,516
Net school generated funds	$320,507	$200,000	$286,601
Gains on disposal of capital assets	$47,228	$30,000	$30,153
Amortization of capital allocations	$1,083,772	$839,916	$1,181,547
Total Revenues	$33,517,770	$32,392,093	$32,864,898
EXPENSES			
Certificated salaries	$15,059,353	$14,684,412	$14,765,009
Certificated benefits	$1,682,325	$1,748,457	$1,803,904
Uncertificated salaries and wages	$7,238,589	$7,009,144	$7,063,647
Uncertificated benefits	$1,270,199	$1,279,944	$1,036,492
Services, contracts and supplies	$5,400,242	$6,160,861	$6,495,869
Net school generated funds	$320,507	$200,000	$286,601
Capital and debt services			
Amortization of capital assets			
Supported	$1,083,766	$839,916	$1,181,547
Unsupported	$690,183	$633,565	$636,636
Total Amortization of capital assets	$1,773,949	$1,473,481	$1,818,183
Interest on capital debt			
Supported	$485,577	$507,528	$529,741
Unsupported	$30,190	$28,137	$37,714
Total Interest on capital debt	$515,767	$535,665	$567,455
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$33,260,931	$33,091,964	$33,837,160
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$256,839	($699,871)	($972,262)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$256,839	($699,871)	($972,262)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2255

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003 As Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$256,839	($972,262)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,083,772)	($1,181,547)
Total amortization expense	$1,773,949	$1,818,183
Gains on disposal of capital assets	($47,228)	($30,153)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$810,574	$378,833
Prepaids and other current assets	($89,721)	$395,341
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$54,877	$80,162
Deferred revenue	$56,840	($84,148)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$1,732,358	$404,409
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,085,204)	($1,325,697)
Equipment	($6,511)	($57,315)
Vehicles	($322,430)	($467,341)
Net proceeds from disposal of capital assets	$95,276	$30,153
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,318,869)	($1,820,200)
C. FINANCING ACTIVITIES		
Capital allocations received	$2,711,090	$420,088
Issue of long term debt	$0	$0
Repayment of long term debt	($603,061)	($581,819)
Add back: supported portion	$454,911	$454,912
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$2,562,940	$293,181
Net sources (uses) of cash equivalents* during year	$1,976,429	($1,122,610)
Cash Equivalents at the beginning of the year	$2,176,313	$3,298,923
Cash Equivalents at the end of the year	$4,152,742	$2,176,313

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2255

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
	TOTAL	INVESTMENT	UNRESTRICTED	TOTAL RESTRICTED	School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$7,331,980	$5,700,948	$0	$1,631,032	$1,321,210	$159,950	($156,247)	$151,308	$47,265	$113,214	($43,049)	$37,381	$0	$0
Prior period adjustments (describe):														
Deferral of AISI revenue from 02/03	($101,062)	$0	$0	($101,062)	($101,062)	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$7,230,918	$5,700,948	$0	$1,529,970	$1,220,148	$159,950	($156,247)	$151,308	$47,265	$113,214	($43,049)	$37,381	$0	$0
Surplus(def) of revenue over expenses	$256,839		$256,839											
Board funded capital transactions		$328,940	$0	($328,940)	$0	($6,510)	$0	($28,822)	$0	$0	$0	($293,608)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,773,949)	$1,773,949											
Amortization of capital allocations		$1,083,772	($1,083,772)											
Disposal of unsupported capital assets	$0	($48,047)	($47,228)	$95,275		$0		$17,128		$0		$78,147		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$148,150	($148,150)											
Net transfers to operating reserves			$21,428	($21,428)	($21,428)		$0		$0		$0		$0	
Net transfers from operating reserves			$53,314	($53,314)	$0		($6,681)		($1,498)		($45,135)		$0	
Net transfers to capital reserves			($690,183)	$690,183		$149,572		$59,222		$0		$481,389		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$7,487,757	$5,439,814	$136,197	$1,911,746	$1,198,720	$303,012	($162,928)	$198,836	$45,767	$113,214	($88,184)	$303,309	$0	$0

School Jurisdiction Code: 2255

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$347,500	$13,924,311
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$2,543,863	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$78,311	
Interest earned on provincial government capital allocations		$11,616	
Other capital grants and donations		$77,300	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$454,911
Expended capital allocations - current year		($2,085,215)	$2,085,215
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,083,772
Balance at August 31, 2004		$973,375	$15,380,665

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

PALLISER REGIONAL DIVISION NO. 26
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
AUGUST 31, 2004

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act,* Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

a) **Revenue Recognition** – Revenue is recognized as follows:

- Instruction and support allocations are recognized in the year in which they relate.
- Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.
- Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value when reasonably determinable.
- Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) **Capital Assets** – Capital assets are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5 – 4%
Vehicles & Buses	10-20%
Equipment & Furnishings	10-20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) **School-Generated Funds** – These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g., yearbook sales, graduation fees, field trip fees, etc.).

d) **Vacation Pay** – Vacation pay is accrued in the period in which the employee earns the benefit.

e) **Pensions** – Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Palliser School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan – the Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $190,797 for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

f) **Inventories** – Inventories are recorded at the lesser of cost or net realizable value.

g) **Prepaid Expenses** – Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) **Contributed Services** – Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school-generated funds. Because of the difficulty of compiling these hours, and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) **Financial Instruments** – The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the *Trustees Act*.

j) **Operating and Capital Reserves** – Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) **Employee Future Benefits** – The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2004, the recorded obligation is NIL (2003 $257,128).

3. ACCOUNTS RECEIVABLE

	2004	2003
Province of Alberta	$ 666,460	$ 1,400,791
Federal Government	127,028	100,879
Other	111,480	213,873
	$ 904,968	**$1,715,543**

4. TRUST ASSETS AND LIABILITIES

	2004	2003
Scholarship Trusts	**$168,807**	**$169,835**

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2004	2003
Province of Alberta	$ 236,532	$ 258,483
Federal Government	4,489	1,493
Other Trade Payables & Accrued Liabilities	1,596,993	1,523,160
	$ 1,838,014	**$ 1,783,136**

6. DEFERRED REVENUE

	2004	2003
One Time Grant Funding	$ 69,528	$ -
Alberta Initiative for School Improvement	194,175	61,240
Block Infrastructure Maintenance Program Funding	119,492	192,412
Other	47,464	19,105
	$ 430,659	**$ 272,757**

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

8. LONG-TERM DEBT

a) **Debenture Debt – Supported** – The debenture debt bears interest at rates varying between 6.875% and 11.625%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

Year	Principle	Interest	Total
2005	$ 429,012	$ 462,715	**$ 891,727**
2006	417,989	419,862	**837,851**
2007	402,796	378,193	**780,989**
2008	395,281	338,043	**733,324**
2009	386,852	298,597	**685,449**
Thereafter	2,699,001	1,149,193	**3,848,194**
Total	**$ 4,730,931**	**$ 3,046,603**	**$ 7,777,534**

b) **Long Term Debt – Unsupported** – Unsupported debt consists of a mortgage on the jurisdiction's administrative building. This debt is not supported by Alberta Finance. The mortgage bears interest at 7.17% and is repayable in monthly blended payments of $13,718.48. Payments due over the next two years are as follows:

Year	Principle	Interest	Total
2005	$ 134,757	$ 16,147	**$ 150,904**
2006	171,434	7,268	**178,702**
Total	**$ 306,191**	**$ 23,415**	**$ 329,606**

c) **Capital Leases – Unsupported** – There are currently no capital leases held by the jurisdiction.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

10. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

11. COMMITMENTS

The jurisdiction is committed to further capital expenditures for construction of the Vulcan Prairieview Elementary School. The total cost of this project is estimated at $ 6,118,000, of which $ 2,112,543 had been spent at August 31, 2004. It is anticipated that these costs will be fully funded by capital allocations from Alberta Infrastructure.

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Palliser School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent of this funding.

13. CONTINGENT LIABILITY

In October 2003, the jurisdiction was named defendant in a lawsuit filed in Lethbridge. The complainants allege they suffered personal injuries through the negligence of the jurisdiction to properly control environmental contamination on one of its school properties. In the opinion of management and legal counsel, the outcome of the lawsuit, now pending, is not determinable. Should any loss not covered by insurance result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

14. PRIOR PERIOD ADJUSTMENT

Unused Alberta Initiative for System Improvement funding was not deferred in 2003, resulting in overstated revenue for the year of $ 101,062. A prior period adjustment has been included to correct this error. The net effect of this adjustment is to reduce 2003 revenue, reduce net assets and increase deferred revenue by $101,062. The Actual 2003 comparative figures have been adjusted to reflect this change. Where necessary, the Budget 2004 and Actual 2003 comparative figures have been reclassified to conform to Actual 2004 presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 2255

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$21,328,072	$1,720,661	$19,607,411						
(2) Support block	$3,539,791				$2,190,680			$1,349,111	
(3) Instruction & support block reallocations	$0	($129,101)	$179,101		($50,000)			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$427,487	$18,480	$409,007						
(5) Student Health Initiative (SHI)	$222,223	$0	$222,223						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$915,000	$28,321	$875,984					$10,695	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$491,213	$0	$491,213	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$26,923,786	$1,638,361	$21,784,939	$0	$2,140,680			$1,359,806	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$275,102			$275,102					
(13) Operations & Maintenance support	$2,502,393			$2,502,393					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$2,777,495			$2,777,495					
(16) **Alberta Finance**	$485,577			$485,577					$0
(17) **Other - Government of Alberta**	$111,144	$0	$101,144	$0	$0			$10,000	$0
(18) **Federal Government and/or First Nations**	$548,287		$463,971	$57,810	$0			$26,506	$0
(19) **Other Alberta school authorities**	$13,418	$0	$5,141	$0	$8,277			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$9,000	$0	$0	$0	$9,000			$0	$0
(22) **Instruction resource fees**	$143,485	$0	$143,485						
(23) **Transportation fees**	$37,600				$37,600				
(24) **Other sales and services**	$477,645	$47,017	$364,601	$6,974	$57,834			$1,219	$0
(25) **Investment income**	$125,557	$0	$0	$8,221	$0			$117,336	$0
(26) **Gifts and donations**	$22,725	$0	$22,725	$0	$0				$0
(27) **Rentals of facilities**	$390,544		$10,528	$380,016	$0			$0	$0
(28) **Net school generated funds**	$320,507	$0	$320,507	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$47,228		$0	$17,128	$30,100			$0	$0
(30) **Amortization of capital allocations**	$1,083,772		$0	$1,083,772	$0				$0
(31) **TOTAL REVENUES**	$33,517,770	$1,685,378	$23,217,041	$4,816,993	$2,283,491			$1,514,867	$0
EXPENSES									
(32) **Certificated salaries**	$15,050,353	$433,962	$14,332,283				$293,108	$293,108	$0
(33) **Certificated benefits**	$1,682,325	$46,705	$1,600,208				$35,412	$35,412	$0
(34) **Uncertificated salaries and wages**	$7,238,589	$710,355	$3,782,746	$1,123,754	$1,055,501	$55,460	$510,773	$566,233	$0
(35) **Uncertificated benefits**	$1,270,199	$97,746	$708,738	$268,751	$106,375	$2,723	$85,866	$88,589	$0
(36) **SUB - TOTAL**	$25,250,466	$1,288,768	$20,423,975	$1,392,505	$1,161,876	$58,183	$925,159	$983,342	$0
(37) **Services, contracts & supplies**	$5,400,242	$377,758	$2,012,834	$1,791,268	$685,361	$120,084	$412,959	$533,023	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$18,854	$0	($18,854)	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$320,507	$0	$320,507	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,083,766	$0	$0	$1,083,766	$0		$0	$0	$0
(41) Unsupported	$690,183	$0	$149,572	$59,222	$481,389	$0	$0	$0	$0
(42) Total Amortization	$1,773,949	$0	$149,572	$1,142,988	$481,389	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$485,577	$0	$0	$485,577	$0		$0	$0	$0
(44) Unsupported	$30,190	$0	$0	$30,190	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$33,260,931	$1,685,378	$22,906,888	$4,823,674	$2,328,626	$178,247	$1,338,118	$1,516,365	$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$256,839	$0	$310,153	($6,681)	($45,135)			($1,498)	$0

School Jurisdiction Code: 2255

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,620,084	$1,344,115	$0	$715,289	$409,251	$243,544	$0	$14,332,283
Certificated benefits	$1,272,001	$177,025	$0	$72,119	$57,144	$21,919	$0	$1,600,208
Uncertificated salaries and wages	$1,197,306	$612,519	$0	$348,834	$1,421,158	$1,810	$201,119	$3,782,746
Uncertificated benefits	$212,538	$73,551	$0	$74,245	$308,964	$272	$39,169	$708,738
SUB - TOTAL REMUNERATION	$14,301,929	$2,207,210	$0	$1,210,487	$2,196,517	$267,545	$240,288	$20,423,975
Services, contracts & supplies	$1,640,204	$28,974	$0	$84,240	$78,103	$169,618	$11,695	$2,012,834
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$320,507							$320,507
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$149,572	$0	$0					$149,572
Total Amortization	$149,572	$0	$0					$149,572
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$16,412,212	$2,236,184	$0	$1,294,727	$2,274,620	$437,163	$251,983	$22,906,888
FTE Certificated				10.2	6.8			
FTE Uncertificated				22.2	83.5			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,718,465	$1,727,313	$1,288,617	$179,101	$18,913,496	$17,153,798	$1,759,698
School Admin & Instruction Support Expenses						$2,236,184	($2,236,184)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$15,718,465	$1,727,313	$1,288,617	$179,101	$18,913,496	$19,389,982	($476,486)
Sub-Programs & Initiatives							
Severely Disabled	$2,154,482	$135,178	$0		$2,289,660	$2,274,620	$15,040
English as a Second Language	$248,768				$248,768	$219,603	$29,165
Enhanced Opportunities	$21,420				$21,420	$19,807	$1,613
First Nations, Metis, and Inuit Education	$34,675		$0		$34,675	$26,759	$7,916
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$713,808				$713,808		$713,808
Growth & Density	$14,131				$14,131		$14,131
Teacher Assistants Program	$73,193				$73,193	$78,089	($4,896)
Early Literacy Initiative (K-2)	$136,481				$136,481	$159,026	($22,545)
Learning Resources Credit & Resources for the Classroom	$38,106	$135,936	$143,485		$317,527	$223,351	$94,176
Technology Integration	$453,560		$0		$453,560	$515,651	($62,091)
French Language Program & Francisation (all jurisdictions)	$322		$0		$322	$0	$322
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$3,888,946		$143,485		$4,303,545	$3,516,906	$786,639
INSTRUCTION, GRADES 1-12	$19,607,411	$1,998,427	$1,432,102	$179,101	$23,217,041	$22,906,888	$310,153

School Jurisdiction Code: 2255

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$20,874,512
Support Block - Transportation	$2,190,680
SUBTOTAL	$23,065,192
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,502,393
Teacher Salary Enhancement	$915,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$111,144
Federal government/First Nations	$548,287
Other Alberta school authorities	$13,418
Out of province local authorities	$0
Alberta municipalities	$9,000
Other sales and services	$477,645
Interest on investments	$125,557
Rentals of facilities	$390,544
Gains on disposal of capital assets	$47,228
Amortization of capital allocations	$1,083,772
School generated funds (Schedule E)	$1,601,246
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$30,890,426**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**5.23%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,615,878
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,615,878**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,516,365
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$1,498
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,514,867
Maximum Expense Limit for Board & System Administration (Step 3)	$1,615,878
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$101,011

School Jurisdiction Code: 2255

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$525,698
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,601,246	
Less: SGF - related cost recoveries (Note 3)	$1,281,032	
- capitalized at the District level (Note 4)	$0	
Net Total	$320,214	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$320,214
Net SGF Available for discretionary spending		$845,912
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$320,507
Unexpended SGF - Closing Balance August 31, 2004		$525,405

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2255

SCHEDULE F to the AFS

Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$693,645	$363,960	$0	$0	$66,149	$1,123,754		$1,123,754
Uncertificated benefits	$165,773	$86,982	$0	$0	$15,996	$268,751		$268,751
Sub-total Remuneration	$859,418	$450,942	$0	$0	$82,145	$1,392,505		$1,392,505
Contracted Services	$215,900	$319,795	$0	$275,102	$2,550	$813,347		$813,347
Supplies	$93,672	$59,716	$0	$0	$2,620	$156,008		$156,008
Electricity			$433,983			$433,983		$433,983
Natural Gas/Heating Fuel			$277,695			$277,695		$277,695
Sewer and Water			$33,396			$33,396		$33,396
Telecommunications			$8,590			$8,590		$8,590
Insurance					$68,249	$68,249		$68,249
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,083,766	$1,083,766
Unsupported						$59,222		$59,222
Total Amortization						$59,222	$1,083,766	$1,142,988
Interest on capital debt								
Supported							$485,577	$485,577
Unsupported				$0		$30,190		$30,190
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($18,854)		($18,854)
TOTAL EXPENSES	$1,168,990	$830,453	$753,664	$275,102	$155,564	$3,254,331	$1,569,343	$4,823,674
SQUARE METRES								
School Buildings								58,767.0
Non School Buildings								3,485.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	20.8	8.3						
Contracted Services	8.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2255

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mrs. Marlene McCann	1.0	$10,607	$625	$2,628			$13,860	$4,772
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mrs. Colleen Deitz	1.0	$8,068	$496	$2,547			$11,111	$2,808
Name	Mrs Erna Dyck	1.0	$5,205	$292	$1,115			$6,612	$329
Name	Mr. Robert Strauss	1.0	$1,647	$311	$823			$2,781	$327
Name	Mr. Joseph Watson	1.0	$6,418	$459	$1,722			$8,599	$352
Name	Mr. Donald Zech	1.0	$8,795	$540	$2,910			$12,245	$5,378
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$40,740*	*$2,723*	*$11,745*			*$55,208*	*$13,966*
Superintendent	Mr. John Bolton	0.9	$118,300	$6,437	$0	$0	$0	$124,737	$15,467
Superintendent	Mr. Garry Andrews	0.1	$9,858	$927	$0	$0	$0	$10,785	$2,971
Secretary/Treasurer	Mr. Laurie Marston	1.0	$107,300	$16,338	$0	$0	$0	$123,638	$11,998
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		210.0	$14,674,067	$1,674,961	$0	$0	$257,128	$16,606,156	
Uncertificated Salaries & Wages		296.3	$7,078,804	$1,251,138	$0	$0	$0	$8,329,942	
TOTALS			$22,029,069	$2,952,524	$11,745	$0	$257,128	$25,250,466	

Note: Employed or contracted out. Please refer to completion information on page 15

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code: 2305

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Parkland School Division No. 70

Legal Name of School Jurisdiction

4603 48 Street Stony Plain, AB T7Z 2A8

Mailing Address

Telephone: 780-963-4010 Fax: 780-963-4169

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Parkland School Division No. 70 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Grace Gruber — **Name**

"ORIGINAL SIGNED" — **Signature**

SUPERINTENDENT

Mary Lynne Campbell — **Name**

"ORIGINAL SIGNED" — **Signature**

SECRETARY TREASURER OR TREASURER

Tom Olson — **Name**

"ORIGINAL SIGNED" — **Signature**

7-Dec-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
Suite 1501, TD Tower
10088 - 102 Avenue
Edmonton, Alberta
Canada T5J 3N5
Telephone +1 (780) 441 6700
Facsimile +1 (780) 441 6776

November 19, 2004
(except for note 19, which is as at November 30, 2004)

Auditors' Report

To the Board of Trustees of
Parkland School Division No. 70

We have audited the statement of financial position of **Parkland School Division No. 70** as at August 31, 2004 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school division as at August 31, 2004 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G and notes 10 through 14 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

School Jurisdiction Code: 2305

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$11,451,169	$9,072,169
Accounts receivable (net after allowances)		$2,388,585	$2,119,985
Prepaid expenses		$189,620	$73,293
Other current assets			$0
Total current assets		$14,029,374	$11,265,447
School generated assets		$713,330	$443,186
Trust assets		$553,027	$518,541
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$4,205,583	$4,205,583
Buildings	$75,702,763		
Less: accumulated amortization	($34,461,955)	$41,240,808	$41,196,047
Equipment	$4,248,417		
Less: accumulated amortization	($3,501,471)	$746,946	$840,638
Vehicles	$648,096		
Less: accumulated amortization	($453,021)	$195,075	$122,429
Total capital assets		$46,388,412	$46,364,697
TOTAL ASSETS		$61,684,143	$58,591,871
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,934,692	$2,119,114
Deferred revenue		$558,269	$1,240,079
Deferred capital allocations		$2,931,746	$11,205
Current portion of all long term debt		$1,693,255	$1,766,712
Total current liabilities		$8,117,962	$5,137,110
School generated liabilities		$713,330	$443,186
Trust liabilities		$553,027	$518,541
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$7,898,547	$9,665,260
	Less: Current portion of supported debt	($1,693,255)	($1,766,712)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$33,720,127	$32,243,345
Total long term liabilities		$41,191,776	$41,103,620
TOTAL LIABILITIES		$49,309,738	$46,240,730
NET ASSETS			
Unrestricted net assets		$420,631	$2,550,184
Operating Reserves		$4,769,411	$2,936,716
Accumulated Operating Surplus (Deficit)		$5,190,042	$5,486,900
Investment in capital assets		$4,769,737	$4,456,092
Capital Reserves		$2,414,626	$2,408,149
Total Capital Funds		$7,184,363	$6,864,241
Total net assets		$12,374,405	$12,351,141
TOTAL LIABILITIES AND NET ASSETS		$61,684,143	$58,591,871

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004 Restated	Actual 2003
REVENUES			
Alberta Learning	$57,835,557	$58,834,321	$57,413,613
Alberta Infrastructure	$7,309,460	$6,929,960	$6,410,824
Alberta Finance	$959,616	$1,276,512	$1,160,310
Other Government of Alberta	$149,856	$129,784	$129,784
Federal Government and/or First Nations	$1,318,916	$1,394,094	$1,453,765
Other Alberta school authorities	$52,745	$31,600	$68,876
Out of province authorities	$0	$32,000	$0
Alberta Municipalities	$31,475	$41,700	$32,704
Instruction resource fees	$650,696	$610,000	$633,420
Transportation fees	$115,002	$124,000	$110,863
Other sales and services	$441,954	$108,000	$511,008
Investment income	$249,915	$295,000	$291,826
Gifts and donations	$0	$0	$0
Rentals of facilities	$2,572	$2,800	$2,800
Net school generated funds	$402,231	$433,935	$619,163
Gains on disposal of capital assets	$31,942	$0	$991
Amortization of capital allocations	$1,807,704	$2,260,784	$2,587,827
Total Revenues	$71,359,641	$72,504,490	$71,427,774
EXPENSES			
Certificated salaries	$33,730,484	$33,882,834	$32,481,064
Certificated benefits	$3,904,474	$3,923,726	$3,707,574
Uncertificated salaries and wages	$10,940,088	$10,621,300	$10,420,120
Uncertificated benefits	$2,639,220	$2,337,087	$2,431,032
Services, contracts and supplies	$16,599,938	$18,556,223	$15,152,455
Net school generated funds	$402,231	$433,935	$619,163
Capital and debt services			
Amortization of capital assets			
Supported	$1,807,704	$2,260,784	$2,587,827
Unsupported	$332,133	$561,470	$406,452
Total Amortization of capital assets	$2,139,837	$2,822,254	$2,994,279
Interest on capital debt			
Supported	$959,616	$1,276,512	$1,160,310
Unsupported	$0	$0	$0
Total Interest on capital debt	$959,616	$1,276,512	$1,160,310
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$20,489	$0	$0
Total Expenses	$71,336,377	$73,853,871	$68,965,997
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$23,264	($1,349,381)	$2,461,777
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$23,264	($1,349,381)	$2,461,777

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$23,264	$2,461,777
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,807,704)	($2,587,827)
Total amortization expense	$2,139,837	$2,994,279
Gains on disposal of capital assets	($31,942)	($991)
Losses on sale of capital assets	$20,489	$0
Changes in accrued accounts:		
Accounts receivable	($268,600)	($393,644)
Prepaids and other current assets	($116,327)	$132,990
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$815,578	($2,333,059)
Deferred revenue	($681,810)	($1,321,828)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$92,785	($1,048,303)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($1,680)
Buildings	($1,826,443)	($511,413)
Equipment	($245,755)	($108,787)
Vehicles	($117,044)	$0
Net proceeds from disposal of capital assets	$37,143	$992
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,152,099)	($620,888)
C. FINANCING ACTIVITIES		
Capital allocations received	$4,438,314	$280,783
Issue of long term debt	$0	$0
Repayment of long term debt	($1,766,713)	($1,906,619)
Add back: supported portion	$1,766,713	$1,906,619
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$4,438,314	$280,783
Net sources (uses) of cash equivalents* during year	$2,379,000	($1,388,408)
Cash Equivalents at the beginning of the year	$9,072,169	$10,460,577
Cash Equivalents at the end of the year	$11,451,169	$9,072,169

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2305

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$12,351,141	$4,456,092	$2,550,184	$5,344,865	$1,802,033	$1,219,092	$357,373	$216,923	$372,472	$752,331	$404,838	$219,803	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$12,351,141	$4,456,092	$2,550,184	$5,344,865	$1,802,033	$1,219,092	$357,373	$216,923	$372,472	$752,331	$404,838	$219,803	$0	$0
Surplus(def) of revenue over expenses	$23,264		$23,264											
Board funded capital transactions		$671,467	($308,669)	($362,798)	$0	($94,025)	$0	($134,520)	$0	($7,663)	$0	($126,590)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,139,837)	$2,139,837											
Amortization of capital allocations		$1,807,704	($1,807,704)											
Disposal of unsupported capital assets	$0	($25,689)	($11,453)	$37,142		$0		$4,527		$27,415		$5,200		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($3,037,407)	$3,037,407	$2,389,364		$648,043		$0		$0		$0	
Net transfers from operating reserves			$1,204,712	($1,204,712)	($261,119)		($648,043)		($64,890)		($230,660)		$0	
Net transfers to capital reserves			($332,133)	$332,133		$182,979		$44,392		$99,333		$5,429		$0
Net transfers from capital reserves			$0	$0		$0				$0		$0		$0
Balance at August 31, 2004	$12,374,405	$4,769,737	$420,631	$7,184,037	$3,930,278	$1,308,046	$357,373	$131,322	$307,582	$871,416	$174,178	$103,842	$0	$0

School Jurisdiction Code: 2305

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$11,205	$32,243,345
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$4,419,972	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$18,342	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$1,766,713
Expended capital allocations - current year		($1,517,773)	$1,517,773
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,807,704
Balance at August 31, 2004		$2,931,746	$33,720,127

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

PARKLAND SCHOOL DIVISION NO. 70
Notes to the Financial Statements
Year Ended August 31, 2004

1. Authority and Purpose

Parkland School Division No. 70 delivers education programs under the authority of the School Act, Chapter S3.1, Statues of Alberta, January 1, 2000.

The School Division receives block allocations for Instruction, Support and Capital purposes under Regulation 72/95. The Regulation limits funding and expenses for administration. It permits the School Division, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of Significant Accounting Policies

The financial statements are prepared in accordance with generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations. The financial statements have, in management's opinion, been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Revenue Recognition

Revenue from the Provincial and Federal governments for instruction and support is recognized in the year to which they relate.

Instruction and transportation fees are recognized when the services are provided.

Unrestricted contributions are recognized as revenue when received and receivable.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school division officials or their appointee(s).

Property and Equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only property and equipment with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Parkland School Division No. 70 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. At August 31, 2004, the School Division's expense for this pension plan is equivalent to the annual contributions of $722,443 (2003 - $578,811).

At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

Financial Instruments

The division's financial instruments consist of cash, accounts receivable, accounts payable and accruals, and long-term debt. It is management's opinion that the division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The division has invested surplus funds in accordance with Section 44 of the *School Act* and Section 5 of the Trustees Act.

Reserves

Reserves created by authorization of the Board of Trustees represent allocations for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board.

3. Accounts Receivable

	2004	2003
Provincial government	$ 2,063,971	$ 1,637,445
Federal government/First nations	182,852	225,278
Municipalities	2,896	646
Other school divisions	10,515	6,046
Other	128,351	250,570
	$ 2,388,585	**$ 2,119,985**

4. Trust Assets and Liabilities

	2004	2003
Endownment funds for scholarships	$ 96,105	$ 105,803
Deferred salary leave plan	456,922	412,738
	$ 553,027	**$ 518,541**

5. Property and Equipment

			2004	2003
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 4,205,583	-	$ 4,205,583	$ 4,205,583
Buildings	75,702,763	34,461,955	41,240,808	41,196,047
Equipment	4,248,417	3,501,471	746,946	840,638
Vehicles	648,096	453,021	195,075	122,429
	$84,804,859	**$38,416,447**	**$46,388,412**	**$46,364,697**

6. Accounts Payable

	2004	2003
Provincial government	$ 447,210	$ 552,418
Federal government/First nations	584,560	673,789
Other	1,902,922	892,907
	$ 2,934,692	**$ 2,119,114**

7. Deferred Revenue

	2004	2003
Alberta Learning	$ 48,823	$ 94,900
Alberta Infrastructure	-	606,527
Other	509,446	538,652
	$ 558,269	**$ 1,240,079**

8. Deferred Capital Contributions and Unamortized Capital Allocations

	2004		2003	
	Deferred Capital Contributions	**Unamortized Capital Allocations**	**Deferred Capital Contributions**	**Unamortized Capital Allocations**
Balance, beginning of year	$ 11,205	$32,243,345	$ 226,827	$31,758,148
Government grants	4,419,972	-	276,627	-
Interest on government grants	18,342	-	4,156	-
Donated capital assets	-	-	-	670,000
Expended on property and equipment	(1,517,773)	1,517,773	(496,405)	496,405
Debt retirement	-	1,766,713	-	1,906,619
Amortization of property and equipment acquired from capital contributions	-	(1,807,704)	-	(2,587,827)
Balance, end of year	**$ 2,931,746**	**$33,720,127**	**$ 11,205**	**$32,243,345**

9. Long-term Debt

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance.

	2004	2003
Debentures	$ 7,898,547	$ 9,665,260
Less current portion	1,693,255	1,766,712
	$ 6,205,292	**$ 7,898,548**

Debenture principle and interest amounts due in each of the next five years are as follows:

	Principal	Interest	Total
2005	1,693,255	865,695	2,558,950
2006	1,692,495	672,493	2,364,988
2007	1,280,663	479,370	1,760,033
2008	910,240	335,549	1,245,789
2009	658,151	235,651	893,802
2010 and thereafter	1,663,743	406,697	2,070,440
	$ 7,898,547	**$ 2,995,455**	**$10,894,002**

Cash interest paid during the year by the school division was $1,064,824 (2003 - $1,276,512).

10. School Generated Funds

	2004	2003
Balance, beginning of year	$ 443,186	$ 449,352
Source of School Generated Funds (SGF)		
SGF for the year	2,607,258	2,401,126
Less: costs of generating SGF	(1,944,829)	(1,825,279)
Donations received	9,946	37,150
Net SGF available for the year	672,375	612,997
Net SGF available for discretionary spending	1,115,561	1,062,349
Less: net SGF expended for the year	(402,231)	(619,163)
Balance, end of year	**$ 713,330**	**$ 443,186**

11. Reserves

	Balance, beginning of year	Appropriated during the year	Utilized during the year	Balance, end of year
Operating				
School instructional	$1,802,033	$ 2,389,364	$ 261,119	$ 3,930,278
System administration	372,472	-	64,890	307,582
Operation & Maintenance	357,373	648,043	648,043	357,373
Transportation	404,838	-	230,660	174,178
	2,936,716	**3,037,407**	**1,204,712**	**4,769,411**
Capital				
Land	1,779	27,415	-	29,194
Buildings	494,549	79,411	-	573,960
Equipment	1,635,850	213,524	245,754	1,603,620
Vehicles	275,971	48,925	117,044	207,852
	2,408,149	**369,275**	**362,798**	**2,414,626**
TOTAL	**$ 5,344,865**	**$ 3,406,682**	**$ 1,567,510**	**$ 7,184,037**

12. Allocations from the Province of Alberta

Allocations from the Province of Alberta are summarized as follows:

	2004	2003
Operating allocations:		
Alberta Learning		
Instruction block	$46,353,594	$45,453,768
Support block	8,063,020	8,224,199
Other	3,418,943	3,735,646
Alberta Finance	959,616	1,160,310
Alberta Infrastructure		
IMP and portable relocation	1,175,857	834,442
Operation & maintenance	6,133,603	5,576,382
Other	149,856	129,784
	66,254,489	**65,114,531**
Capital allocations:		
Contribution to repayment of debt	1,766,713	1,906,619
Capital contribution	4,419,972	276,627
	$72,441,174	**$67,297,777**

13. Program Expenses

	2004 Budget (Note 18)	2004 Actual	2003 Actual
Early childhood services	1,787,378	2,458,894	2,781,057
Student instruction	51,432,503	48,977,014	46,451,729
Operation and maintenance	10,648,858	9,616,980	9,604,369
Student transportation	6,487,340	6,438,558	6,314,637
Board/system administration	2,459,710	2,415,821	2,267,376
External services	604,147	1,026,879	927,666
School generated funds (Note 10)	433,935	402,231	619,163
	$73,853,871	**$71,336,377**	**$68,965,997**

14. Disclosure of Salaries and Benefits

	Number	Salaries and Wages	Benefits and Allowances	Total
Chairman of the Board	1	$ 17,059	$ 3,191	$ 20,250
Other Board Members	6	75,992	13,326	89,318
Superintendent	1	136,566	10,532	147,098
Secretary Treasurer	1	132,886	13,525	146,411
Salaries - Certificated	503	33,593,918	3,893,943	37,487,861
Salaries - Non-certificated	468	10,714,150	2,609,178	13,323,328
	980	**$44,670,571**	**$ 6,543,695**	**$51,214,266**

15. Commitment

The School Division is committed to further capital expenditures of approximately $7,037,127 for the construction of a new school in Spruce Grove. It is anticipated that these costs will be fully funded by capital allocations from Alberta Infrastructure.

The School Division is committed under non-cancelable operating leases for equipment in the amount of $305,749. The minimum amounts payable over the next two years are as follows:
2005 - $218,242 and 2006 - $87,507

16. Economic Dependence on Related Third Party

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

17. Contingencies

The School Division is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of membership, the Division could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred will be accounted for as a current transaction in the year the losses are determined.

18. Budget Amounts

The budget was prepared by the School Division management with the Board of Trustees approval given on May 20, 2003. A revised budget based on student enrolments at September 30, 2004 is presented in these statements for information purposes only and has not been audited.

19. Subsequent Events

The School Division and the Alberta Teachers' Association are in the midst of a contract dispute. On November 30, 2004, the Minister of Human Resources and Employment served notice to Parkland's Board of Trustees and its teachers union local 10, that he has established a Disputes Inquiry Board. The disputes inquiry suspends the Board of Trustees and teachers union lockout and strike notices respectively to allow for the Inquiry Board to make recommendations in respect to the labour dispute. Items in dispute are wage settlements and working conditions.

School Jurisdiction Code: 2305

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

						Board & System Administration			
REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board Governance	System Administration	Total Board & System Admin	External Services
Alberta Learning allocations									
(1) Instruction block	$45,305,701	$2,326,121	$42,979,580						
(2) Support block	$8,063,020				$5,821,759			$2,241,261	
(3) Instruction & support block reallocations	$0	($103,347)	($23,426)		$126,773			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$1,047,893	$0	$1,047,893						
(5) Student Health Initiative (SHI)	$16,414	$0	$16,414						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,923,000	$56,851	$1,844,857					$21,292	$0
(8) Regional P D Consortium (6 boards only)	$878,498								$878,498
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$601,031	$0	$601,031	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$57,835,557	$2,279,625	$46,466,349	$0	$5,948,532			$2,262,553	$878,498
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$1,175,857			$1,175,857					
(13) Operations & Maintenance support	$5,659,126			$5,659,126					
(14) Operations & Maintenance support (One-Time)	$474,477			$474,477					
(15) **Total Alberta Infrastructure Revenue**	$7,309,460			$7,309,460					
(16) **Alberta Finance**	$959,616			$959,616					$0
(17) **Other - Government of Alberta**	$149,856	$149,856	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,318,916	$0	$1,128,070	$138,089	$0			$52,757	$0
(19) **Other Alberta school authorities**	$52,745	$0	$34,718	$0	$18,027			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$31,475	$0	$0	$0	$0			$0	$31,475
(22) **Instruction resource fees**	$650,696	$27,539	$623,157						
(23) **Transportation fees**	$115,002				$115,002				
(24) **Other sales and services**	$441,954	$1,875	$175,474	$15,564	$103,847			$28,288	$116,906
(25) **Investment income**	$240,915	$0	$180,936	$27,491	$22,492			$9,996	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$2,572		$0	$2,572	$0			$0	$0
(28) **Net school generated funds**	$402,231	$0	$402,231	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$31,942		$0	$4,527	$0			$27,415	$0
(30) **Amortization of capital allocations**	$1,807,704		$0	$1,807,704	$0				$0
(31) **TOTAL REVENUES**	$71,359,641	$2,458,895	$49,019,935	$10,265,023	$6,207,900			$2,381,009	$1,026,879
EXPENSES									
(32) **Certificated salaries**	$33,730,484	$971,178	$32,384,884				$374,422	$374,422	$0
(33) **Certificated benefits**	$3,904,474	$117,210	$3,754,039				$33,216	$33,216	$0
(34) **Uncertificated salaries and wages**	$10,940,088	$738,867	$6,310,696	$2,536,981	$268,653	$93,051	$845,153	$938,204	$148,697
(35) **Uncertificated benefits**	$2,639,220	$151,677	$1,561,063	$645,633	$64,097	$16,516	$179,881	$196,397	$20,373
(36) **SUB - TOTAL**	$51,214,266	$1,976,931	$44,010,682	$3,182,614	$332,750	$109,567	$1,432,652	$1,542,219	$169,070
(37) **Services, contracts & supplies**	$16,599,938	$81,890	$5,143,425	$3,699,639	$6,026,067	$221,811	$569,297	$791,108	$857,809
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$400,074	($342,949)	($103,705)	$63,419	$3,293	($20,132)	($16,839)	$0
(39) **Net school generated funds**	$402,231	$0	$402,231	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,807,704	$0	$0	$1,807,704	$0		$0	$0	$0
(41) Unsupported	$332,133	$0	$165,855	$61,517	$5,426	$0	$99,333	$99,333	$0
(42) Total Amortization	$2,139,837	$0	$165,855	$1,869,221	$5,426	$0	$99,333	$99,333	$0
Interest on capital debt									
(43) Supported	$959,616	$0	$0	$959,616	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$20,489	$0	$0	$9,595	$10,894	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$71,336,377	$2,458,895	$49,379,244	$9,616,980	$6,438,558	$334,671	$2,081,150	$2,415,821	$1,026,879
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$23,264	$0	($359,309)	$648,043	($230,658)			($34,812)	$0

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$26,212,018	$3,505,862	$246,616	$1,101,174	$844,020	$475,194	$0	$32,384,884
Certificated benefits	$3,029,449	$406,552	$25,887	$125,338	$109,790	$57,023	$0	$3,754,039
Uncertificated salaries and wages	$1,270,697	$2,591,706	$85,178	$1,113,800	$1,214,168	$35,147	$0	$6,310,696
Uncertificated benefits	$156,815	$750,247	$24,984	$278,871	$342,414	$7,732	$0	$1,561,063
SUB - TOTAL REMUNERATION	$30,668,978	$7,254,367	$382,665	$2,619,183	$2,510,392	$575,097	$0	$44,010,682
Services, contracts & supplies	$3,494,061	$973,866	$152,312	$15,911	$18,065	$472,796	$16,414	$5,143,425
Cost recoveries & transfers	($104,840)	($207,488)	($30,621)	$0	$0	$0	$0	($342,949)
Net school generated funds	$402,231							$402,231
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$165,855	$0	$0					$165,855
Total Amortization	$165,855	$0	$0					$165,855
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$34,626,285	$8,020,745	$504,356	$2,635,094	$2,528,457	$1,047,893	$16,414	$49,379,244
FTE Certificated				17.7	13.4			
FTE Uncertificated				61.0	70.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$39,147,775	$3,229,090	$1,843,327	($23,426)	$44,196,766	$34,524,615	$9,672,151
School Admin & Instruction Support Expenses						$8,020,745	($8,020,745)
System Instruction Support Expenses						$504,356	($504,356)
Total Basic Instruction	$39,147,775	$3,229,090	$1,843,327	($23,426)	$44,196,766	$43,049,716	$1,147,050
Sub-Programs & Initiatives							
Severely Disabled	$2,365,259	$67,589	$87,102		$2,519,950	$2,528,457	($8,507)
English as a Second Language	$13,248				$13,248	$13,248	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$86,455		$0		$86,455	$86,455	$0
Institutional Programs	$210,216				$210,216	$210,216	$0
Sparsity & Distance	$69,777				$69,777		$69,777
Growth & Density	$55,857				$55,857		$55,857
Teacher Assistants Program	$171,534				$171,534	$171,534	$0
Early Literacy Initiative (K-2)	$303,202				$303,202	$541,282	($238,080)
Learning Resources Credit & Resources for the Classroom	$67,678	$213,516	$623,157		$904,351	$1,943,693	($1,039,342)
Technology Integration	$387,596		$0		$387,596	$744,718	($357,122)
French Language Program & Francisation (all jurisdictions)	$72,408		$0		$72,408	$72,408	$0
Home Education	$28,575		$0		$28,575	$17,517	$11,058
Total Sub-Programs & Initiatives	$3,831,805		$710,259		$4,823,169	$6,329,528	($1,506,359)
INSTRUCTION, GRADES 1-12	$42,979,580	$3,510,195	$2,553,586	($23,426)	$49,019,935	$49,379,244	($359,309)

School Jurisdiction Code: 2305

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$44,918,105
Support Block - Transportation	$5,821,759
SUBTOTAL	$50,739,864

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$5,659,126
Teacher Salary Enhancement	$1,923,000
Other Alberta Learning revenues (Describe) Funding injection ,Severe disabilities,RCF	$601,031
Other - Government of Alberta (Excluding Alberta Finance)	$149,856
Federal government/First Nations	$1,318,916
Other Alberta school authorities	$52,745
Out of province local authorities	$0
Alberta municipalities	$31,475
Other sales and services	$441,954
Interest on investments	$249,915
Rentals of facilities	$2,572
Gains on disposal of capital assets	$31,942
Amortization of capital allocations	$1,807,704
School generated funds (Schedule E)	$2,607,258
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$65,617,358**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = 75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$2,624,694

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$2,624,694**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,415,821
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$64,890
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,350,931

Maximum Expense Limit for Board & System Administration (Step 3)	$2,624,694
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$273,763

School Jurisdiction Code: 2305

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$443,186
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,607,258	
Less: SGF - related cost recoveries (Note 3)	$1,944,829	
- capitalized at the District level (Note 4)	$0	
Net Total	$662,429	
Plus: Donations Received (Note 5)	$9,946	
Equals: Net Additions to SGF		$672,375
Net SGF Available for discretionary spending		$1,115,561
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$402,231
Unexpended SGF - Closing Balance August 31, 2004		$713,330

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2305

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,735,766	$514,499	$0	$0	$286,716	$2,536,981		$2,536,981
Uncertificated benefits	$452,776	$132,606	$0	$0	$60,251	$645,633		$645,633
Sub-total Remuneration	$2,188,542	$647,105	$0	$0	$346,967	$3,182,614		$3,182,614
Contracted Services	$0	$358,572	$0	$1,175,857	$0	$1,534,429		$1,534,429
Supplies	$149,036	$636,645	$0	$0	$18,627	$804,308		$804,308
Electricity			$597,331			$597,331		$597,331
Natural Gas/Heating Fuel			$525,609			$525,609		$525,609
Sewer and Water			$61,669			$61,669		$61,669
Telecommunications			$16,705			$16,705		$16,705
Insurance					$159,588	$159,588		$159,588
Net school generated funds		$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,807,704	$1,807,704
Unsupported						$61,517		$61,517
Total Amortization						$61,517	$1,807,704	$1,869,221
Interest on capital debt								
Supported							$959,616	$959,616
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$9,595		$9,595
Cost recoveries & transfers						($103,705)		($103,705)
TOTAL EXPENSES	$2,337,578	$1,642,322	$1,201,314	$1,175,857	$525,182	$6,849,660	$2,767,320	$9,616,980
SQUARE METRES								
School Buildings								103,253.3
Non School Buildings								0.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	51.5	13.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2305

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2003-200

(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name L Briggs Benner	0.2	$2,029	$234	$0			$2,263	$0
Name G Gruber	0.8	$15,030	$2,957	$0			$17,987	$9,953
Other Board Members:								
Name M Anstey	1.0	$11,720	$3,990	$0			$15,710	$6,232
Name L Briggs Benner	0.8	$8,930	$885	$0			$9,815	$0
Name S Cornelius	1.0	$11,957	$1,475	$0			$13,432	$5,266
Name G Gruber	0.2	$2,296	$460	$0			$2,756	$0
Name J Kesanko	1.0	$11,616	$1,473	$0			$13,089	$3,566
Name J Smith	1.0	$15,042	$1,700	$0			$16,742	$5,911
Name S Waddie	1.0	$14,431	$3,343	$0			$17,774	$8,974
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$93,051*	*$16,517*	*$0*			*$109,568*	*$39,902*
Superintendent Mary Lynne Campbell	1.0	$136,566	$10,532	$0	$0	$0	$147,098	$4,440
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Tom Olson	1.0	$132,886	$13,525	$0	$0	$0	$146,411	$7,312
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	502.5	$33,483,192	$3,884,918	$0	$0	$119,751	$37,487,861	
Uncertificated Salaries & Wages	468.0	$10,714,150	$2,609,178	$0	$0	$0	$13,323,328	
TOTALS		**$44,559,845**	**$6,534,670**	**$0**	**$0**	**$119,751**	**$51,214,266**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code 1070

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PEACE RIVER SCHOOL DIVISION #10
Legal Name of School Jurisdiction

10018-101 STREET, PEACE RIVER, ALBERTA T8S 2A5
Mailing Address

Telephone (780) 624-3601 Fax (780) 624-5941
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PEACE RIVER SCHOOL DIVISION #10
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Bonnie Paulovich	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Greg Woronuk	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Bruce Moltzan	**"ORIGINAL SIGNED"**
Name	**Signature**

November 16/04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Geoffrey Davidge*
Chartered Accountant

200, 6005 - 103 Street NW • Edmonton, Alberta • T6H 2H3
Tel: (780) 437-2130 • Fax: (780) 455-4920

AUDITOR'S REPORT

To the Board of Trustees of
Peace River School Division No. 10:

We have audited the statement of financial position of the Peace River School Division No. 10 as at August 31, 2004 and the statement of revenues and expenses, the statement of cash flows, the statement of changes in net assets, and the statement of deferred capital allocations for the year then ended. These financial statements are the responsibility of the Division's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Division as at August 31, 2004 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Chartered Accountants
Edmonton, Alberta
November 4, 2004

*Denotes professional corporation

School Jurisdiction Code: 1070

STATEMENT OF FINANCIAL POSITION

as at August 31,2004

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$3,895,082	$4,156,204
Accounts receivable (net after allowances)		$2,834,884	$3,680,891
Prepaid expenses		$219,849	$169,363
Other current assets		$190,145	$256,426
Total current assets		$7,139,960	$8,262,884
School generated assets		$503,121	$482,319
Trust assets		$162,209	$162,722
Long term accounts receivable		$36,540	$20,752
Long term investments		$0	
Capital assets			
Land		$1,939,550	$1,946,530
Buildings	$49,692,039		
Less: accumulated amortization	($24,301,995)	$25,390,044	$26,589,910
Equipment	$910,093		
Less: accumulated amortization	($735,629)	$174,464	$224,564
Vehicles	$6,170,919		
Less: accumulated amortization	($3,725,553)	$2,445,366	$2,337,653
Total capital assets		$29,949,424	$31,098,657
TOTAL ASSETS		$37,791,254	$40,027,334
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,173,467	$1,682,643
Deferred revenue		$2,002,699	$1,991,306
Deferred capital allocations		$156,623	$165,974
Current portion of all long term debt		$1,123,704	$1,123,704
Total current liabilities		$4,456,493	$4,963,627
School generated liabilities		$503,121	$482,319
Trust liabilities		$162,209	$162,722
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$8,259,501	$9,383,205
Less: Current portion of supported debt		($1,123,704)	($1,123,704)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$15,741,569	$15,936,607
Total long term liabilities		$23,542,695	$24,841,149
TOTAL LIABILITIES		$27,999,188	$29,804,776
NET ASSETS			
Unrestricted net assets		$912,798	$1,357,296
Operating Reserves		$572,747	$826,648
Accumulated Operating Surplus (Deficit)		$1,485,545	$2,183,944
Investment in capital assets		$5,948,352	$5,778,843
Capital Reserves		$2,358,169	$2,259,770
Total Capital Funds		$8,306,521	$8,038,613
Total net assets		$9,792,066	$10,222,558
TOTAL LIABILITIES AND NET ASSETS		$37,791,254	$40,027,334

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 1070

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$25,323,914	$25,068,606	$25,440,502
Alberta Infrastructure	$2,783,358	$2,758,079	$2,981,154
Alberta Finance	$929,998	$1,067,844	$1,051,535
Other Government of Alberta	$341,713	$0	$206,631
Federal Government and/or First Nations	$67,107	$87,854	$215,564
Other Alberta school authorities	$0	$239,907	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$281,526	$479,888	$296,289
Transportation fees	$24,192	$29,250	$27,712
Other sales and services	$409,386	$377,330	$329,401
Investment income	$93,439	$2,000	$165,631
Gifts and donations	$12,518	$0	$79,599
Rentals of facilities	$73,338	$135,728	$72,461
Net school generated funds	$269,400	$393,274	$281,438
Gains on disposal of capital assets	$19,302	$0	$6,404
Amortization of capital allocations	$1,588,508	$1,435,964	$1,622,942
Total Revenues	$32,217,700	$32,075,724	$32,777,263
EXPENSES			
Certificated salaries	$13,747,227	$14,008,540	$14,306,739
Certificated benefits	$1,389,411	$1,770,397	$1,558,087
Uncertificated salaries and wages	$6,512,479	$5,806,516	$6,013,811
Uncertificated benefits	$876,581	$987,114	$729,856
Services, contracts and supplies	$6,945,325	$6,732,309	$7,265,758
Net school generated funds	$269,400	$398,230	$281,438
Capital and debt services			
Amortization of capital assets			
Supported	$1,588,508	$1,435,964	$1,622,943
Unsupported	$564,966	$636,713	$504,652
Total Amortization of capital assets	$2,153,474	$2,072,677	$2,127,595
Interest on capital debt			
Supported	$929,998	$1,067,844	$1,051,535
Unsupported	$0	$0	$0
Total Interest on capital debt	$929,998	$1,067,844	$1,051,535
Other interest charges	$0	$2,900	$2,990
Losses on disposal of capital assets	$4,760	$0	$39,660
Total Expenses	$32,828,656	$32,846,527	$33,377,469
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($610,956)	($770,803)	($600,206)
Unrestricted revenues used for capital purposes	$180,464	$0	$178,935
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($430,492)	($770,803)	($421,271)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1070

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($430,492)	($421,272)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,588,508)	($1,622,943)
Total amortization expense	$2,153,474	$2,127,595
Gains on disposal of capital assets	($19,302)	($6,404)
Losses on sale of capital assets	$4,760	$39,660
Changes in accrued accounts:		
Accounts receivable	$846,007	$12,269
Prepaids and other current assets	$15,795	($60,025)
Long term accounts receivable	($15,788)	
Long term investments	$0	
Payables and accrued liabilities	($509,176)	($1,022,511)
Deferred revenue	$11,393	($4,451,461)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$468,163	($5,405,092)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($452,446)	($4,428,402)
Equipment	($46,897)	($68,054)
Vehicles	($545,856)	($417,509)
Net proceeds from disposal of capital assets	$55,500	$13,146
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($989,699)	($4,900,819)
C. FINANCING ACTIVITIES		
Capital allocations received	$260,414	$4,109,626
Issue of long term debt	$0	$0
Repayment of long term debt	($1,123,704)	($1,123,704)
Add back: supported portion	$1,123,704	$1,123,704
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$260,414	$4,109,626
Net sources (uses) of cash equivalents* during year	($261,122)	($6,196,285)
Cash Equivalents at the beginning of the year	$4,156,204	$10,352,489
Cash Equivalents at the end of the year	$3,895,082	$4,156,204

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1070

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$10,222,558	$5,778,843	$1,357,298	$3,086,418	$502,054	$53,698	$0	$594,010	$182,835	$447,008	$141,759	$1,165,054	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$10,222,558	$5,778,843	$1,357,298	$3,086,418	$502,054	$53,698	$0	$594,010	$182,835	$447,008	$141,759	$1,165,054	$0	$0
Surplus(def) of revenue over expenses	($430,492)		($430,492)											
Board funded capital transactions		$775,433	($775,433)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,153,474)	$2,153,474											
Amortization of capital allocations		$1,588,508	($1,588,508)											
Disposal of unsupported capital assets	$0	($40,958)	$40,958	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$0	$0			$0		$0		$0		$0	
Net transfers from operating reserves			$253,901	($253,901)	($199,316)		$0		($54,585)		$0		$0	
Net transfers to capital reserves			($98,399)	$98,399		$1,248		$38,749		$23,868		$34,534		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$9,792,066	$5,948,352	$912,798	$2,930,916	$302,738	$54,946	$0	$632,759	$128,250	$470,876	$141,759	$1,199,588	$0	$0

School Jurisdiction Code: 1070

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$165,974	$15,936,607
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$269,765	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		($9,351)	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$1,123,704
Expended capital allocations - current year		($269,765)	$269,765
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,588,508
Balance at August 31, 2004		$156,623	$15,741,569

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

PEACE RIVER SCHOOL DIVISION #10-NOTES TO THE FINANCIAL STATEMENTS-2003-2004

AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

b) Capital Assets

Capital Assets are recorded at cost. The cost less an estimated residual value is amortized over their estimated useful lives on a straight-line basis at the following rates

Buildings	15 to 40 years
Vehicles & Buses	7 to 12 years
Equipment & Furnishings	5 years
Land Improvements	20 years

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Peace River School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 127,918.00 for the Year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

f) Inventories

Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Investments

Investments are recorded at the lower of cost and market value.

ACCOUNTS RECEIVABLE

	2004	2003
Alberta Learning	201,125	26,800
Alberta Infrastructure	1,821,998	2,834,716
Alberta Finance	509,104	576,880
Other Province of Alberta	25,128	12,569
Federal Government	113,867	83,015
First Nations		
Alberta Municipalities		
Other Alberta School Jurisdictions		38,700
Other	163,662	108,211
Total	2,834,884	3,680,891

BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $1,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

ACCOUNTS PAYABLE AND LIABILITIES

	2004	2003
Alberta Learning	37,926	20,817
Alberta Infrastructure		
Alberta Finance	509,104	576,880
Other Province of Alberta		
Federal Government	1,375	1,780
First Nations		
Alberta Municipalities		
Other Alberta School Jurisdictions		
Other Trade Payables and Accrued Liabilities	625,062	1,083,166
Total	1,173,467	1,682,643

DEFERRED REVENUE

	2004	2003
Infrastructure Maintenance Program (formerly BQRP)	359,340	361,141
Infrastructure-One-Time Payment	630,307	282,227
Infrastructure-Modernizations, Demolitions, Block Mod, Utilization	493,842	876,983
Alberta Initiative for School Improvement	67,218	63,743
Other	451,992	407,212
Total	2,002,699	1,991,306

TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2004	2003
Deferred Salary Leave Plan		
Scholarship Trusts	162,209	162,722
Student Health Initiative Trust (SHI Banker Board)		
Total	162,209	162,722

LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 7 1/4% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal
2004-2005	1,123,704
2005-2006	1,123,704
2006-2007	1,123,704
2007-2008	1,123,704
2008-2009	1,123,704
2009 to maturity	2,640,981
Total	8,259,501

b) Capital Leases – Unsupported

Currently, there are no capital leases held by the jurisdiction.

DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

CONTINGENCIES

a) The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. They payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

b) The jurisdiction has been named as a defendant in a grievance whereby the Support Staff Association is seeking pay for general holidays for one category of staff members. As the likelihood of the outcome and potential damages, if any, ensuing from this grievance are not determinable at the date of reporting, no provision has been made in the financial statements for any costs associated with this grievance.

ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Peace River School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited. The 2003/04 Budget was approved on May 20, 2003.

School Jurisdiction Code: 1070

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$18,812,992	$1,010,681	$17,802,312						
(2) Support block	$4,945,481				$3,606,657			$1,338,824	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$425,285	$0	$425,285						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$801,000	$0	$794,125					$6,875	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$339,155	$0	$339,155	$0	$0				$0
(11) **Total Alberta Learning Revenue**	$25,323,914	$1,010,681	$19,360,877	$0	$3,606,657			$1,345,699	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$314,342			$314,342					
(13) Operations & Maintenance support	$2,105,941			$2,105,941					
(14) Operations & Maintenance support (One-Time)	$363,075			$363,075					
(15) **Total Alberta Infrastructure Revenue**	$2,783,358			$2,783,358					
(16) **Alberta Finance**	$929,998			$929,998					$0
(17) **Other - Government of Alberta**	$341,713	$0	$341,713	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$67,107	$0	$67,107	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$281,526	$12,101	$269,425						
(23) **Transportation fees**	$24,192				$24,192				
(24) **Other sales and services**	$409,386	$0	$29,658	$82,611	$53,763			$21,263	$222,091
(25) **Investment income**	$93,439	$0	$76,639	$11,315	$0			$5,485	$0
(26) **Gifts and donations**	$12,518	$0	$12,518	$0	$0				$0
(27) **Rentals of facilities**	$73,338		$0	$73,338	$0			$0	$0
(28) **Net school generated funds**	$269,400	$0	$269,400	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$19,302		$0	$14,802	$4,500			$0	$0
(30) **Amortization of capital allocations**	$1,588,508			$1,588,508	$0				$0
(31) **TOTAL REVENUES**	$32,217,700	$1,022,782	$20,427,337	$5,483,931	$3,689,112			$1,372,448	$222,091
EXPENSES									
(32) **Certificated salaries**	$13,747,227	$378,257	$13,015,821				$353,149	$353,149	$0
(33) **Certificated benefits**	$1,389,411	$41,759	$1,320,740				$26,912	$26,912	$0
(34) **Uncertificated salaries and wages**	$6,512,479	$317,645	$3,371,500	$665,973	$1,604,030	$83,804	$384,545	$468,348	$84,982
(35) **Uncertificated benefits**	$876,581	$34,781	$410,767	$126,346	$218,963	$1,840	$69,111	$70,951	$14,773
(36) **SUB - TOTAL**	$22,525,699	$772,442	$18,118,829	$792,320	$1,822,993	$85,643	$833,717	$919,360	$99,755
(37) **Services, contracts & supplies**	$6,945,325	$131,94[illegible]	$2,235,449	$2,316,302	$1,653,141	$51,158	$439,975	$491,133	$117,354
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$269,400	$0	$269,400	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,588,508	$0	$0	$1,588,508	$0		$0	$0	$0
(41) Unsupported	$564,966	$0	$114,869	$32,507	$401,051	$0	$16,539	$16,539	$0
(42) Total Amortization	$2,153,474	$0	$114,869	$1,621,015	$401,051	$0	$16,539	$16,539	$0
Interest on capital debt									
(43) Supported	$929,998	$0	$0	$929,998	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$4,760	$0	$0	$4,760	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$32,828,656	$904,389	$20,738,547	$5,664,395	$3,877,185	$136,801	$1,290,231	$1,427,032	$217,108
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($610,956)	$118,393	($311,210)	($180,464)	($188,073)			($54,584)	$4,982

School Jurisdiction Code: 1070

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$9,892,316	$1,968,860	$345,273	$680,877	$67,925	$60,570	$0	$13,015,821
Certificated benefits	$573,219	$691,130	$33,275	$11,352	$8,749	$3,016	$0	$1,320,740
Uncertificated salaries and wages	$2,135,840	$125,414	$10,120	$89,954	$1,008,998	$1,174	$0	$3,371,500
Uncertificated benefits	$7,237	$199,318	$1,254	$74,270	$128,257	$433	$0	$410,767
SUB - TOTAL REMUNERATION	$12,608,612	$2,984,722	$389,922	$856,452	$1,213,928	$65,193	$0	$18,118,829
Services, contracts & supplies	$1,272,349	$677,748	$81,115	$13,486	$149,183	$41,568	$0	$2,235,449
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$269,400							$269,400
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$114,869	$0	$0					$114,869
Total Amortization	$114,869	$0	$0					$114,869
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$14,265,230	$3,662,470	$471,037	$869,939	$1,363,111	$106,761	$0	$20,738,547
FTE Certificated				10.7	1.0			
FTE Uncertificated				5.1	54.2			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$14,275,697	$1,444,634	$789,405	$0	$16,509,736	$13,873,342	$2,636,393
School Admin & Instruction Support Expenses						$3,662,470	($3,662,470)
System Instruction Support Expenses						$471,037	($471,037)
Total Basic Instruction	$14,275,697	$1,444,634	$789,405	$0	$16,509,736	$18,006,849	($1,497,113)
Sub-Programs & Initiatives							
Severely Disabled	$1,181,917	$26,478	$0		$1,208,395	$1,363,111	($154,716)
English as a Second Language	$47,840				$47,840	$47,840	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$84,037		$7,631		$91,668	$91,668	($0)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$1,740,975				$1,740,975		$1,740,975
Growth & Density	$58,035				$58,035		$58,035
Teacher Assistants Program	$66,226				$66,226	$297,003	($230,777)
Early Literacy Initiative (K-2)	$124,191				$124,191	$127,079	($2,889)
Learning Resources Credit & Resources for the Classroom	$36,514	$87,453	$269,425		$393,392	$616,313	($222,921)
Technology Integration	$142,956		$0		$142,956	$142,956	$0
French Language Program & Francisation (all jurisdictions)	$28,848		$0		$28,848	$28,848	$0
Home Education	$15,076		$0		$15,076	$16,880	($1,804)
Total Sub-Programs & Initiatives	$3,526,615		$277,056		$3,917,601	$2,731,698	$1,185,903
INSTRUCTION, GRADES 1-12	$17,802,312	$1,558,565	$1,066,461	$0	$20,427,337	$20,738,547	($311,210)

School Jurisdiction Code: 1070

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$18,670,036
Support Block - Transportation	$3,606,657
SUBTOTAL	$22,276,694

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,105,941
Teacher Salary Enhancement	$801,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$341,713
Federal government/First Nations	$67,107
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$409,386
Interest on investments	$93,439
Rentals of facilities	$73,338
Gains on disposal of capital assets	$19,302
Amortization of capital allocations	$1,588,508
School generated funds (Schedule E)	$1,134,152
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$28,910,581**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**5.39%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,558,020
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,558,020**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,427,032
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$54,585
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,372,447
Maximum Expense Limit for Board & System Administration (Step 3)	$1,558,020
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$185,573

School Jurisdiction Code: 1070

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$482,319
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,134,152	
Less: SGF - related cost recoveries (Note 3)	$864,653	
- capitalized at the District level (Note 4)	$0	
Net Total	$269,499	
Plus: Donations Received (Note 5)	$20,703	
Equals: Net Additions to SGF		$290,202
Net SGF Available for discretionary spending		$772,521
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$269,400
Unexpended SGF - Closing Balance August 31, 2004		$503,121

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1070

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$545,475	$0	$0	$120,499	$665,973		$665,973
Uncertificated benefits	$9,179	$93,514	$0	$0	$23,653	$126,346		$126,346
Sub-total Remuneration	$9,179	$638,989	$0	$0	$144,152	$792,320		$792,320
Contracted Services	$936,427	$13,753	$0	$314,342	$31,021	$1,295,543		$1,295,543
Supplies	$22,091	$0	$0	$0	$2,255	$24,345		$24,345
Electricity			$430,588			$430,588		$430,588
Natural Gas/Heating Fuel			$377,720			$377,720		$377,720
Sewer and Water			$74,670			$74,670		$74,670
Telecommunications			$8,378			$8,378		$8,378
Insurance					$105,058	$105,058		$105,058
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,588,508	$1,588,508
Unsupported						$32,507		$32,507
Total Amortization						$32,507	$1,588,508	$1,621,015
Interest on capital debt								
Supported							$929,998	$929,998
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$4,760		$4,760
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$967,697	$652,742	$891,356	$314,342	$282,485	$3,145,889	$2,518,506	$5,664,395
SQUARE METRES								
School Buildings								57,187.3
Non School Buildings								382.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications

Expensed IMP & Portable Relocations: All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1070

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Bonnie Paulovich	1.0	$16,889	$407	$0			$17,296	$15,836
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Name Sylvia Mathieu	1.0	$6,480	$103	$0			$6,583	$749
Name Colin Neeham	1.0	$8,420	$141	$0			$8,560	$2,938
Name Louise Woroniuk	1.0	$17,059	$402	$0			$17,461	$7,139
Name Trudi Keilor	1.0	$10,265	$224	$0			$10,489	$6,687
Name Elaine Sky	1.0	$10,014	$216	$0			$10,230	$6,235
Name Mark Neilson	1.0	$14,677	$347	$0			$15,024	$11,577
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$83,804*	*$1,840*	$0			*$85,643*	*$51,161*
Superintendent Dave Van Tamelen	1.0	$121,004	$9,562	$0	$0	$0	$130,566	$22,341
Superintendent	0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer Bruce Moltzan	1.0	$101,510	$16,919	$0	$0	$0	$118,429	$13,743
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	185.4	$13,626,223	$1,379,849	$0	$0	$0	$15,006,073	
Uncertificated Salaries & Wages	255.8	$6,327,166	$857,822	$0	$0	$0	$7,184,988	
TOTALS		$20,259,708	$2,265,993	$0	$0	$0	$22,525,699	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code: 3345

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Peace Wapiti School Board No. 33
Legal Name of School Jurisdiction

8611A - 108 St, Grande Prairie, AB
Mailing Address

(780)532 - 8133 (780)532-4234
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Peace Wapiti School Board No. 33
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Sonia Ens
Name

"ORIGINAL SIGNED"
Signature

SUPERINTENDENT

Dr. Darwin Eckstrom
Name

"ORIGINAL SIGNED"
Signature

SECRETARY TREASURER OR TREASURER

Mrs. Leslie Cage
Name

"ORIGINAL SIGNED"
Signature

18-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

FLETCHER MUDRYK & CO. LLP
CHARTERED ACCOUNTANTS

400 Windsor Court
9835-101 Avenue
Grande Prairie, Alberta
T8V 5V4

Phone: (780) 539-4110
Fax: (780) 532-1350
Email: info@fletchermudryk.com

AUDITOR'S REPORT

To the Board of Trustees
Peace Wapiti School Board No. 33

We have audited the statement of financial position of the **Peace Wapiti School Board No. 33** as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Grande Prairie, Alberta
October 21, 2004

Fletcher Mudryk &
Chartered Accountants

School Jurisdiction Code: 3345

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$4,600,284	$9,737,500
Accounts receivable (net after allowances)		$2,651,207	$2,060,041
Prepaid expenses		$186,308	$195,773
Other current assets		$401,190	$394,974
Total current assets		$7,838,989	$12,388,288
School generated assets		$852,657	$805,824
Trust assets		$157,697	$101,358
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,908,250	$1,908,250
Buildings	$68,242,830		
Less: accumulated amortization	($36,465,134)	$31,777,696	$28,639,719
Equipment	$3,130,593		
Less: accumulated amortization	($1,677,356)	$1,453,237	$1,439,535
Vehicles	$12,079,704		
Less: accumulated amortization	($5,156,526)	$6,923,178	$5,767,976
Total capital assets		$42,062,361	$37,755,480
TOTAL ASSETS		$50,911,704	$51,050,950
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$4,953,316	$3,810,352
Deferred revenue		$387,318	$769,633
Deferred capital allocations		$0	$3,302,616
Current portion of all long term debt		$1,287,491	$1,333,660
Total current liabilities		$6,628,125	$9,216,261
School generated liabilities		$852,657	$805,824
Trust liabilities		$157,697	$101,358
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$11,066,890	$12,400,550
	Less: Current portion of supported debt	($1,287,491)	($1,333,660)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$18,186,235	$13,648,524
Total long term liabilities		$28,975,988	$25,622,596
TOTAL LIABILITIES		$35,604,113	$34,838,857
NET ASSETS			
Unrestricted net assets		$86	$159,831
Operating Reserves		$2,483,425	$3,445,926
Accumulated Operating Surplus (Deficit)		$2,483,511	$3,605,757
Investment in capital assets		$12,824,080	$11,706,405
Capital Reserves		$0	$899,931
Total Capital Funds		$12,824,080	$12,606,336
Total net assets		$15,307,591	$16,212,093
TOTAL LIABILITIES AND NET ASSETS		$50,911,704	$51,050,950

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 3345

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$39,374,443	$38,486,175	$38,747,652
Alberta Infrastructure	$4,270,962	$4,450,000	$4,749,358
Alberta Finance	$1,201,490	$1,600,000	$1,336,344
Other Government of Alberta	$149,470	$106,000	$113,983
Federal Government and/or First Nations	$870,803	$1,361,480	$823,965
Other Alberta school authorities	$82,048	$96,500	$123,455
Out of province authorities	$269,241	$249,500	$279,964
Alberta Municipalities	$50,000	$54,000	$82,878
Instruction resource fees	$472,470	$421,590	$421,900
Transportation fees	$0	$0	$0
Other sales and services	$292,695	$288,000	$465,966
Investment income	$265,865	$503,000	$598,585
Gifts and donations	$44,422	$25,000	$157,013
Rentals of facilities	$224,858	$204,000	$83,520
Net school generated funds	$1,050,009	$850,000	$1,011,110
Gains on disposal of capital assets	$89,111	$85,000	$76,750
Amortization of capital allocations	$1,392,447	$1,400,000	$1,398,042
Total Revenues	$50,100,334	$50,180,245	$50,470,485
EXPENSES			
Certificated salaries	$23,285,873	$23,188,330	$21,806,748
Certificated benefits	$2,570,975	$2,615,106	$2,537,287
Uncertificated salaries and wages	$8,387,919	$8,180,635	$8,511,354
Uncertificated benefits	$1,899,582	$1,688,784	$1,843,495
Services, contracts and supplies	$9,908,569	$9,830,710	$9,906,476
Net school generated funds	$1,050,009	$850,000	$1,011,110
Capital and debt services			
Amortization of capital assets			
Supported	$1,392,447	$1,400,000	$1,398,042
Unsupported	$1,308,630	$1,148,930	$1,174,647
Total Amortization of capital assets	$2,701,077	$2,548,930	$2,572,689
Interest on capital debt			
Supported	$1,199,133	$1,450,000	$1,336,341
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,199,133	$1,450,000	$1,336,341
Other interest charges	$1,699	$2,750	$1,797
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$51,004,836	$50,355,245	$49,527,297
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($904,502)	($175,000)	$943,188
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($904,502)	($175,000)	$943,188

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 3345

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($904,502)	$943,188
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,392,447)	($1,398,042)
Total amortization expense	$2,701,077	$2,572,689
Gains on disposal of capital assets	($89,111)	($76,750)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($591,166)	($39,140)
Prepaids and other current assets	$3,249	$211,703
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$1,142,964	($1,630,674)
Deferred revenue	($382,315)	($1,472,152)
Employee future benefits	$0	$0
Other (describe)	$3,544	$0
Total sources (uses) of cash from Operations	$491,293	($889,178)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($878,388)
Buildings	($4,554,738)	($4,262,988)
Equipment	($343,680)	($676,160)
Vehicles	($2,113,084)	($1,094,050)
Net proceeds from disposal of capital assets	$89,111	$76,750
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($6,922,391)	($6,834,836)
C. FINANCING ACTIVITIES		
Capital allocations received	$1,293,882	$4,434,329
Issue of long term debt	$0	$0
Repayment of long term debt	($1,333,660)	($1,333,660)
Add back: supported portion	$1,333,660	$1,333,660
Other (describe)		$0
Total sources (uses) from Financing activities	$1,293,882	$4,434,329
Net sources (uses) of cash equivalents* during year	($5,137,216)	($3,289,685)
Cash Equivalents at the beginning of the year	$9,737,500	$13,027,185
Cash Equivalents at the end of the year	$4,600,284	$9,737,500

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 3345

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
				TOTAL	RESTRICTED NET ASSETS									
	TOTAL	INVESTMENT	UNRESTRICTED	RESTRICTED	School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$16,212,093	$11,706,405	$159,831	$4,345,857	$2,866,317	$95,710	$62,626	$171,676	$303,444	$16,665	$213,539	$615,880	$0	$0
Prior period adjustments (describe)														
	$0	$0		$0		$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0		$0		$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$16,212,093	$11,706,405	$159,831	$4,345,857	$2,866,317	$95,710	$62,626	$171,676	$303,444	$16,665	$213,539	$615,880	$0	$0
Surplus(def) of revenue over expenses	($904,502)		($904,502)											
Board funded capital transactions		$2,429,849	$0	($2,429,849)	($23,246)	($208,793)	$0	($230,112)	($127,485)	($174,470)	($18,038)	($1,647,705)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,701,077)	$2,701,077											
Amortization of capital allocations		$1,392,447	($1,392,447)											
Disposal of unsupported capital assets	$0	($3,544)	($85,333)	$88,877		$4,500		$0		$0		$84,377		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($896,987)	$896,987	$857,583		$0		$0		$39,404		$0	
Net transfers from operating reserves			$1,690,719	($1,690,719)	($1,217,220)		($62,626)		($175,959)		($234,905)		$0	
Net transfers to capital reserves			($1,272,272)	$1,272,272		$108,583		$58,436		$157,805		$947,448		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$15,307,591	$12,824,080	$86	$2,483,425	$2,483,425	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 3345

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$3,302,616	$13,648,524
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$1,237,960	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$55,922	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$1,333,660
Expended capital allocations - current year		($4,596,498)	$4,596,498
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,392,447
Balance at August 31, 2004		$0	$18,186,235

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are then amortized to revenue on the same basis as the amortization of the capital asset acquired.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

Inventory

Inventory consists of maintenance supplies and fuel and is recorded at the lower of cost and net realizable value.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Capital Assets

Capital assets with a cost greater than $5,000 are recorded at cost. Rates of amortization applied on a straight-line basis to write off the cost of capital assets over their estimated useful lives are as follows:

Buildings	25 to 40 years
Equipment	25 years
Vehicles	8 to 11 years

No amortization is recorded in the year of acquisition.

When capital assets are sold or scrapped, the cost of the asset and the related accumulated amortization are removed from the accounts and any resulting gain or loss on disposal is reflected in income. Full amortization is recorded in the year of disposition.

School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Peace Wapiti School Board No. 33 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $192,376 (2003 - $149,186) for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported a deficit of $1,410,987,000 (2002 - $444,980,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2004, the recorded obligation is $782,061 (2003 - $829,044).

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. ACCOUNTS RECEIVABLE

	2004	2003
Province of Alberta	$ 2,319,261	$ 1,688,013
Federal Government and/or First Nations	197,562	168,072
Other (net after allowance)	134,384	203,956
	$ 2,651,207	$ 2,060,041

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2004	2003
Province of Alberta	$ 716,377	$ 797,004
Federal Government and/or First Nations	497,353	514,445
Other Trade Payables Accrued Liabilities	3,739,586	2,498,903
	$ 4,953,316	$ 3,810,352

5. LONG-TERM DEBT

	2004	2003
Debentures	$ 11,066,890	$ 12,400,550
Less current portion	1,287,491	1,333,660
	$ 9,779,399	$ 11,066,890

The debenture debt bears interest at rates varying between 8.0% and 12.0%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years are as follows:

	Principal	Interest	Total
2005	$ 1,287,491	$ 1,140,370	$ 2,427,861
2006	$ 1,287,491	$ 1,005,657	$ 2,293,148
2007	$ 1,280,015	$ 870,944	$ 2,150,959
2008	$ 1,274,682	$ 737,017	$ 2,011,699
2009	$ 1,161,941	$ 603,602	$ 1,765,543

6. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdiction, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

7. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

8. CONTINGENCIES

Contingent Asset

The jurisdiction is a member of a reciprocal insurance exchange called the Alberta School Board Insurance Exchange (ASBIE). A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

Contingent Liability

Under the terms of membership of ASBIE, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

Economic Dependence on Third Party

The school jurisdiction's primary source of income is from the Alberta Government. The school jurisdiction's ability to continue viable operations is dependent on this funding.

9. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

10. COMMITMENTS

The school jurisdiction has entered into personnel contracts with its executive management team. In the event that these contracts are cancelled or not renewed by the Board, there could be a liability incurred as per the termination clauses in the executive contracts.

11. COMPARATIVE FIGURES

The Budget 2004 and Actual 2003 comparative figures have been reclassified where necessary to conform to Actual 2004 presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 3345

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$30,373,554	$1,370,260	$29,003,294						
(2) Support block	$6,904,769				$5,184,459			$1,720,310	
(3) Instruction & support block reallocations	$39,649	$0	$0		$39,649			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$690,164	$0	$690,164						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,269,000	$0	$1,259,640					$9,360	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$97,307	$0	$14,607	$0	$82,700			$0	$0
(11) **Total Alberta Learning Revenue**	$39,374,443	$1,370,260	$30,967,705	$0	$5,306,808			$1,729,670	$0
Alberta Infrastructure									
(12) Expensed IMP (BORP) support & portable relocations	$629,517			$629,517					
(13) Operations & Maintenance support	$3,723,295			$3,723,295					
(14) Operations & Maintenance support (One-Time)	$18,150			$18,150					
(15) **Total Alberta Infrastructure Revenue**	$4,270,962			$4,270,962					
(16) **Alberta Finance**	$1,201,490			$1,199,133					$2,357
(17) **Other - Government of Alberta**	$149,470	$0	$78,718	$52,548	$13,658			$4,546	$0
(18) **Federal Government and/or First Nations**	$870,803	$6,510	$829,171	$0	$0			$35,122	$0
(19) **Other Alberta school authorities**	$82,048	$0	$75,708	$0	$0				$6,340
(20) **Out of province authorities**	$269,241	$0	$195,627	$0	$66,748			$6,866	$0
(21) **Alberta municipalities**	$50,000	$0	$50,000	$0	$0			$0	$0
(22) **Instruction resource fees**	$472,470	$12,670	$459,800						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$292,695	$160	$247,552	$4,939	$15,094			$24,950	
(25) **Investment income**	$265,866	$0	$203,661	$23,909	$36,389			$1,907	$0
(26) **Gifts and donations**	$44,422	$0	$44,422	$0					$0
(27) **Rentals of facilities**	$224,858		$0	$4,492	$109,581			$4,800	$105,985
(28) **Net school generated funds**	$1,050,009	$0	$1,050,009	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$89,111		$4,500	$234	$84,377			$0	$0
(30) **Amortization of capital allocations**	$1,392,447		$0	$1,392,447	$0				$0
(31) TOTAL REVENUES	$50,100,334	$1,389,600	$34,206,883	$6,948,664	$5,632,644			$1,807,861	$114,682
EXPENSES									
(32) **Certificated salaries**	$23,285,873	$596,557	$22,451,362				$237,954	$237,954	$0
(33) **Certificated benefits**	$2,570,975	$65,377	$2,487,487				$18,111	$18,111	$0
(34) **Uncertificated salaries and wages**	$8,387,919	$457,813	$3,698,441	$640,828	$2,920,227	$111,456	$559,154	$670,610	$0
(35) **Uncertificated benefits**	$1,899,582	$69,607	$821,240	$137,678	$718,950	$37,582	$114,525	$152,107	$0
(36) **SUB - TOTAL**	$36,144,349	$1,189,354	$29,458,530	$778,506	$3,639,177	$149,038	$929,744	$1,078,782	$0
(37) **Services, contracts & supplies**	$9,908,568	$199,026	$3,628,274	$3,783,048	$1,477,298	$109,244	$405,468	$514,712	$306,210
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$1,844	$280,571	($163,660)	($195,246)	$917	$334,825	$335,742	($259,251)
(39) **Net school generated funds**	$1,050,009	$0	$1,050,009	$0		$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,392,447	$0	$0	$1,392,447	$0		$0	$0	$0
(41) Unsupported	$1,308,630		$191,070	$56,985	$939,969	$0	$52,884	$52,884	$67,722
(42) Total Amortization	$2,701,077	$0	$191,070	$1,449,432	$939,969	$0	$52,884	$52,884	$67,722
Interest on capital debt									
(43) Supported	$1,199,133	$0	$0	$1,199,133	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$1,699	$0	$0	$0	$0		$1,699	$1,699	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) TOTAL EXPENSES	$51,004,836	$1,390,224	$34,608,454	$7,046,459	$5,861,199	$259,199	$1,724,621	$1,983,819	$114,682
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($904,502)	($624)	($401,571)	($97,795)	($228,555)			($175,958)	$0

School Jurisdiction Code: [illegible]

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$18,639,607	$1,832,772	$0	$839,755	$559,836	$579,392	$0	$22,451,362
Certificated benefits	$2,084,163	$178,411	$0	$98,504	$65,670	$60,739	$0	$2,487,487
Uncertificated salaries and wages	$946,097	$1,292,075	$0	$204,553	$1,240,568	$15,148	$0	$3,698,441
Uncertificated benefits	$248,745	$310,738	$0	$9,679	$249,417	$2,661	$0	$821,240
SUB - TOTAL REMUNERATION	$21,918,612	$3,613,996	$0	$1,152,491	$2,115,491	$657,940	$0	$29,458,530
Services, contracts & supplies	$3,062,854	$212,947	$0	$117,330	$206,927	$28,216	$0	$3,628,274
Cost recoveries & transfers	$92,449	$151,534	$0	$21,871	$14,580	$137		$280,571
Net school generated funds	$1,050,009							$1,050,009
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$191,070	$0	$0					$191,070
Total Amortization	$191,070	$0	$0					$191,070
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$26,314,994	$3,978,477	$0	$1,291,692	$2,336,998	$686,293	$0	$34,608,454
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	0.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,971,053	$1,868,896	$2,779,378	$0	$27,619,327	$25,747,688	$1,871,639
School Admin & Instruction Support Expenses						$3,978,477	($3,978,477)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$22,971,053	$1,868,896	$2,779,378	$0	$27,619,327	$29,726,165	($2,106,838)
Sub-Programs & Initiatives							
Severely Disabled	$1,399,757		$0		$1,399,757	$2,336,998	($937,241)
English as a Second Language	$72,864				$72,864	$59,361	$13,503
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$82,352		$0		$82,352	$105,306	($22,954)
Institutional Programs	$120,151				$120,151	$138,917	($18,766)
Sparsity & Distance	$3,713,113				$3,713,113		$3,713,113
Growth & Density	$160,193				$160,193		$160,193
Teacher Assistants Program	$99,913				$99,913	$284,734	($184,821)
Early Literacy Initiative (K-2)	$181,233				$181,233	$183,421	($2,188)
Learning Resources Credit & Resources for the Classroom	$42,738	$95,515	$459,800		$598,053	$1,299,163	($701,110)
Technology Integration	($14,352)		$0		($14,352)	$277,790	($292,142)
French Language Program & Francisation (all jurisdictions)	$6,440		$0		$6,440	$0	$6,440
Home Education	$167,839		$0		$167,839	$196,599	($28,760)
Total Sub-Programs & Initiatives	$6,032,241		$459,800		$6,587,556	$4,882,289	$1,705,267
INSTRUCTION, GRADES 1-12	$29,003,294	$1,964,411	$3,239,178	$0	$34,206,883	$34,608,454	($401,571)

School Jurisdiction Code: 3345

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$30,387,906
Support Block - Transportation	$5,184,459
SUBTOTAL	$35,572,365
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,723,295
Teacher Salary Enhancement	$1,269,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$149,470
Federal government/First Nations	$870,803
Other Alberta school authorities	$82,048
Out of province local authorities	$269,241
Alberta municipalities	$50,000
Other sales and services	$292,695
Interest on investments	$265,865
Rentals of facilities	$224,858
Gains on disposal of capital assets	$89,111
Amortization of capital allocations	$1,392,447
School generated funds (Schedule E)	$1,563,379
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$45,814,578**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses **4.42%**

If "Total Net Enrolled Students" are 6,000 and over = 4%

If "Total Net Enrolled Students" are 2,000 and less = 6%

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,025,004
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,025,004**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,983,819
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$175,959
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,807,860
Maximum Expense Limit for Board & System Administration (Step 3)	$2,025,004
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$217,144

School Jurisdiction Code: 3345

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$805,824
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,563,379	
Less: SGF - related cost recoveries (Note 3)	$535,406	
- capitalized at the District level (Note 4)	$0	
Net Total	$1,027,973	
Plus: Donations Received (Note 5)	$68,869	
Equals: Net Additions to SGF		$1,096,842
Net SGF Available for discretionary spending		$1,902,666
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,050,009
Unexpended SGF - Closing Balance August 31, 2004		$852,657

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3345

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$123,448	$336,846	$0	$64,693	$115,841	$640,828		$640,828
Uncertificated benefits	$29,631	$75,247	$0	$12,693	$20,107	$137,678		$137,678
Sub-total Remuneration	$153,079	$412,093	$0	$77,386	$135,948	$778,506		$778,506
Contracted Services	$1,122,866	$414,453	$0	$408,441	$4,183	$1,949,943		$1,949,943
Supplies	$73,891	$313,385	$0	$59,091	$22,025	$468,392		$468,392
Electricity			$638,109			$638,109		$638,109
Natural Gas/Heating Fuel			$465,101			$465,101		$465,101
Sewer and Water			$89,473			$89,473		$89,473
Telecommunications			$10,186			$10,186		$10,186
Insurance					$161,844	$161,844		$161,844
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,392,447	$1,392,447
Unsupported						$56,985		$56,985
Total Amortization						$56,985	$1,392,447	$1,449,432
Interest on capital debt								
Supported							$1,199,133	$1,199,133
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($163,660)		($163,660)
TOTAL EXPENSES	$1,349,836	$1,139,931	$1,202,869	$544,918	$324,000	$4,454,879	$2,591,580	$7,046,459
SQUARE METRES								
School Buildings								78,495.6
Non School Buildings								8,088.6
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	3.5	6.2						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 3345

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mrs Lynne Philips	1.0	$19,560	$2,010	$158			$21,728	$5,297
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mrs Debra Balderston	1.0	$10,621	$3,465	$0			$14,086	$2,327
Name	Mrs Olive Emerson	1.0	$13,455	$4,848	$0			$18,303	$5,695
Name	Mrs Sonia Ens	1.0	$11,240	$4,564	$0			$15,804	$2,829
Name	Dr Jackie Lee	1.0	$12,182	$4,483	$473			$17,138	$3,353
Name	Mr Jim Robertson	1.0	$12,278	$4,706	$631			$17,615	$3,189
Name	Ms Chrisitine Schlief	1.0	$11,464	$4,373	$0			$15,837	$1,911
Name	Mr Jim Sherman	1.0	$9,903	$3,285	$1,104			$14,292	$1,529
Name	Mrs Anne Shumard	1.0	$10,197	$4,472	$0			$14,669	$952
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$110,900*	*$36,206*	*$2,366*			*$149,472*	*$27,084*
Superintendent	Dr Darwin Eckstrom	1.0	$119,489	$9,977	$0	$0	$0	$129,466	$8,965
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Mrs JoAnn Varstone	1.0	$46,885	$9,959	$0	$0	$0	$56,844	$2,645
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Mrs Leslie Cage	1.0	$81,702	$14,701	$0	$0	$0	$96,403	$3,312
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		330.0	$23,166,384	$2,558,631	$0	$0	$0	$25,725,015	
Uncertificated Salaries & Wages		311.8	$8,148,434	$1,838,715	$0	$0	$0	$9,987,149	
TOTALS			**$31,673,794**	**$4,468,189**	**$2,366**	**$0**	**$0**	**$36,144,349**	

Note: Employed or contracted out. Please refer to completion information on page 15

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code: 1175

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PEMBINA HILLS REGIONAL DIVISION NO. 7
Legal Name of School Jurisdiction

5310 49 Street Barrhead, AB T7N 1P3
Mailing Address

Telephone: (780)674-8500 Fax: (780)674-3262
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PEMBINA HILLS REGIONAL DIVISION NO 7
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Clayton Jespersen	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Colleen Symyrozum-Watt, Acting Supt	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Tracy J. Meunier, CGA	"ORIGINAL SIGNED"
Name	Signature

November 10, 2004
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Clews & Shoemaker
CHARTERED ACCOUNTANTS
Graham Rex Clews Professional Corporation ◆ **John S. Shoemaker Professional Corporation**

AUDITOR'S REPORT

To the Board of Trustees of the Pembina Hills Regional Division No. 7:

We have audited the statement of financial position of Pembina Hills Regional Division No. 7 as at August 31, 2004, and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Pembina Hills Regional Division No. 7 as at August 31, 2004, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with the Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Clews & Shoemaker

Westlock, Alberta
October 25, 2004

CHARTERED ACCOUNTANTS

F:\data\WPDOCS\AUDIT\[illegible]

Box 5180, Westlock, AB T7P 2P4
Telephone: (780) 349-3355 ◆ Edm. Direct: (780) 421-4796 ◆ Fax: (780) 349-6550 ◆ E-mail: clewsshoemaker@csca.cc

School Jurisdiction Code: 1175

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$4,834,974	$5,495,512
Accounts receivable (net after allowances)		$2,081,110	$1,332,313
Prepaid expenses		$157,008	$246,165
Other current assets		$303,376	$347,061
Total current assets		$7,376,468	$7,421,051
School generated assets		$404,920	$435,026
Trust assets		$555,869	$564,341
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$512,834	$512,834
Buildings	$37,400,909		
Less: accumulated amortization	($21,436,022)	$15,964,887	$16,786,284
Equipment	$119,611		
Less: accumulated amortization	($68,859)	$50,752	$74,674
Vehicles	$5,885,844		
Less: accumulated amortization	($3,854,915)	$2,030,929	$2,426,196
Total capital assets		$18,559,402	$19,799,988
TOTAL ASSETS		$26,896,659	$28,220,406
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,453,573	$1,813,719
Deferred revenue		$207,122	$1,051,044
Deferred capital allocations		$0	$0
Current portion of all long term debt		$927,494	$976,059
Total current liabilities		$3,588,189	$3,840,822
School generated liabilities		$404,920	$435,026
Trust liabilities		$555,869	$564,341
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$7,445,193	$8,421,252
	Less: Current portion of supported debt	($927,494)	($976,059)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$7,889,070	$7,809,097
Total long term liabilities		$15,367,558	$16,253,657
TOTAL LIABILITIES		$18,955,747	$20,094,479
NET ASSETS			
Unrestricted net assets		$903,069	$903,069
Operating Reserves		$2,441,705	$2,690,854
Accumulated Operating Surplus (Deficit)		$3,344,774	$3,593,923
Investment in capital assets		$3,225,139	$3,569,639
Capital Reserves		$1,370,999	$962,365
Total Capital Funds		$4,596,138	$4,532,004
Total net assets		$7,940,912	$8,125,927
TOTAL LIABILITIES AND NET ASSETS		$26,896,659	$28,220,406

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$33,489,368	$31,482,806	$33,265,028
Alberta Infrastructure	$3,340,939	$3,356,614	$3,309,663
Alberta Finance	$1,344,511	$1,699,322	$1,517,433
Other Government of Alberta	$0	$91,852	$10,000
Federal Government and/or First Nations	$173,658	$87,410	$71,842
Other Alberta school authorities	$10,837	$0	$15,722
Out of province authorities	$0	$0	$0
Alberta Municipalities	$14,210	$14,500	$14,210
Instruction resource fees	$356,562	$272,502	$361,777
Transportation fees	$112,101	$111,000	$100,376
Other sales and services	$899,329	$778,104	$873,184
Investment income	$195,423	$216,620	$503,836
Gifts and donations	$2,640	$0	$3,849
Rentals of facilities	$45,448	$49,300	$48,445
Net school generated funds	$787,975	$812,287	$808,802
Gains on disposal of capital assets	$57,066	$6,000	$11,702
Amortization of capital allocations	$896,085	$882,617	$890,261
Total Revenues	$41,726,152	$39,860,934	$41,806,130
EXPENSES			
Certificated salaries	$17,901,454	$16,433,074	$17,296,872
Certificated benefits	$2,045,455	$1,943,307	$2,297,702
Uncertificated salaries and wages	$7,363,969	$7,062,894	$7,548,851
Uncertificated benefits	$1,472,220	$1,521,679	$1,471,316
Services, contracts and supplies	$9,578,202	$9,599,244	$9,978,886
Net school generated funds	$787,975	$812,287	$808,802
Capital and debt services			
Amortization of capital assets			
Supported	$896,085	$882,617	$890,261
Unsupported	$449,203	$385,374	$420,049
Total Amortization of capital assets	$1,345,288	$1,267,991	$1,310,310
Interest on capital debt			
Supported	$1,344,511	$1,699,322	$1,517,432
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,344,511	$1,699,322	$1,517,432
Other interest charges	$3,433	$12,682	$3,455
Losses on disposal of capital assets	$0	$0	$4,301
Total Expenses	$41,842,507	$40,352,480	$42,237,927
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($116,355)	($491,546)	($431,797)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($116,355)	($491,546)	($431,797)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($116,355)	($431,797)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($896,085)	($890,261)
Total amortization expense	$1,345,288	$1,310,310
Gains on disposal of capital assets	($57,066)	($11,702)
Losses on sale of capital assets	$0	$4,301
Changes in accrued accounts:		
Accounts receivable	($748,797)	$94,624
Prepaids and other current assets	$132,842	$159,816
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$639,854	$206,345
Deferred revenue	($843,922)	($2,037,323)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($544,241)	($1,595,687)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($95,758)	($211,839)
Equipment	$0	$0
Vehicles	($8,945)	($595,362)
Net proceeds from disposal of capital assets	$57,065	$13,450
Other (describe) Transfer of Banker Board Services - AOC (no	($68,658)	$0
Total sources (uses) of cash from Investing activities	($116,296)	($793,751)
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$110,458
Issue of long term debt	$0	$0
Repayment of long term debt	($976,059)	($1,024,165)
Add back: supported portion	$976,058	$1,024,165
Other (describe)	$0	$0
Total sources (uses) from Financing activities	($1)	$110,458
Net sources (uses) of cash equivalents* during year	($660,538)	($2,278,980)
Cash Equivalents at the beginning of the year	$5,495,512	$7,774,492
Cash Equivalents at the end of the year	$4,834,974	$5,495,512

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1175

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$8,125,927	$3,569,639	$903,069	$3,653,219	$2,135,309	$0	$44,719	$102,309	$191,736	$244,596	$46,640	$615,460	$272,450	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$8,125,927	$3,569,639	$903,069	$3,653,219	$2,135,309	$0	$44,719	$102,309	$191,736	$244,596	$46,640	$615,460	$272,450	$0
Surplus(def) of revenue over expenses	($116,355)		($116,355)											
Board funded capital transactions		$104,703	$0	($104,703)	$0	$0	$0	$0	($95,758)	$0	$0	($8,945)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,345,288)	$1,345,288											
Amortization of capital allocations		$896,085	($896,085)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($134,447)	$134,447	$5,053		$3,578		$14,319		$111,497		$0	
Net transfers from operating reserves	($68,660)		$219,178	($287,838)	($34,406)		($1,639)		($35,778)		$0		($216,015)	
Net transfers to capital reserves			($417,579)	$417,579		$0		$42,102		$0		$375,477		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$7,940,912	$3,225,139	$903,069	$3,812,704	$2,105,956	$0	$46,658	$144,411	$74,519	$244,596	$158,137	$981,992	$56,435	$0

School Jurisdiction Code: 1175

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$0	$7,809,097
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$976,058
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$896,085
Balance at August 31, 2004		$0	$7,889,070

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

PEMBINA HILLS REGIONAL DIVISION NO. 7

Notes to the Financial Statements
For the Year Ended August 31, 2004

1. AUTHORITY AND PURPOSE

Pembina Hills Regional Division No. 7 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. Pembina Hills Regional Division No. 7 is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:

Buildings	2.5% to 4%
Equipment & Furnishings	10% to 20%
Vehicles & Buses	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit. Accumulated sick leave is not recorded as it is not paid to the employee if not taken.

e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Pembina Hills Regional Division No. 7 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $142,893 for the year ended August 31, 2004 (2003 = $120,023). At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

f) Inventories

Inventories are recorded at the lesser of cost and estimated net realizable value.

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools within Pembina Hills Regional Division No. 7 to ensure that certain program are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

l) Investments

Investments are recorded at the lower of cost and market value.

PEMBINA HILLS REGIONAL DIVISION NO. 7

Notes to the Financial Statements
For the Year Ended August 31, 2004

3. ACCOUNTS RECEIVABLE

	2004	2003
Provincial Government	$1,579,453	$813,165
Federal Government	119,709	92,702
Other Alberta School Jurisdictions	0	0
Alberta Municipalities	9,834	8,983
Due from Alberta Distance Learning Centre	0	-
Other	372,114	417,463
Total	**$2,081,110**	**$1,332,313**

4. INVENTORIES

	2004	2003
Cafeteria food and supplies	$2,004	$3,239
Bus garages parts and tires	212,858	242,333
Maintenance shops supplies	79,991	92,539
	$294,853	**$338,111**

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Land	$512,834	$0	$512,834	$512,834
Buildings	37,400,909	21,436,022	15,964,887	16,786,284
Equipment	119,611	68,859	50,752	74,674
Vehicles	5,885,844	3,854,915	2,030,929	2,426,196
	$43,919,198	**$25,359,796**	**$18,559,402**	**$19,799,988**

6. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,000,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

PEMBINA HILLS REGIONAL DIVISION NO. 7
Notes to the Financial Statements
For the Year Ended August 31, 2004

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2004	2003
Province of Alberta	$444,699	$802,655
Federal Government	2,409	7,826
Alberta Municipalities	0	0
Due to Alberta Distance Learning Centre	680,779	528,270
Other Trade Payables and Accrued Liabilities	1,325,686	474,968
	$2,453,573	**$1,813,719**

8. DEFERRED REVENUE

	2004	2003
Technology Integration Funding	$0	$40,660
Federal Government - Diabetes Program	14,826	0
Federal Government - Meadowview CAP Program	14,350	0
One Time Funding 2003-04 (Transportation)	0	64,800
One Time Funding 2003-04 (Operations & Maintenance)	0	67,633
First Nations, Metis & Inuit Education Funding	0	30,037
Alberta Initiative for School Improvement	96,099	0
Early Literacy Initiative	8,806	28,471
2003 BQRP	0	15,812
Alberta Online Consortium - Funding and registration fees	0	756,764
Other	73,041	46,867
	$207,122	**$1,051,044**

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

	2004	2003
Beginning balance	$0	$0
Allocations received & receivable during the year	0	0
Transfers to Unamortized Capital Allocations (note #10)	0	0
	$0	**$0**

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

	2004	2003
Balance, beginning of year	$7,809,097	$7,529,591
Additions: supported debenture principal repayments	976,058	1,024,164
Transfer from Deferred Capital Allocations (note 9)	-	145,603
Deductions: capital allocation revenue	(896,085)	(890,261)
Balance, end of year	**$7,889,070**	**$7,809,097**

11. TRUST ASSETS AND LIABILITIES

The following balances represent cash that is held in trust by the jurisdiction for the following areas:

	2004	2003
Aspen Student Health Initiative Partnership	$458,206	$471,648
Fort Assiniboine School - Playground project	16,046	15,616
Deferred Salary Leave	9,969	4,904
Endowment funds for scholarships	71,648	72,173
	$555,869	**$564,341**

PEMBINA HILLS REGIONAL DIVISION NO. 7
Notes to the Financial Statements
For the Year Ended August 31, 2004

12. LONG-TERM DEBT

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	2004	2003
Debentures	$7,445,193	$8,421,252
Less: current portion	927,494	976,059
Long term portion	**$6,517,699**	**$7,445,193**

Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004-2005	927,494	801,064	1,728,558
2005-2006	901,191	699,367	1,600,558
2006-2007	894,010	600,586	1,494,596
2007-2008	853,991	502,594	1,356,585
2008-2009	817,249	408,730	1,225,979
2009 to maturity	3,051,258	1,104,601	4,155,859
	$7,445,193	**$4,116,942**	**$11,562,135**

13. SCHOOL GENERATED FUNDS

	2004	2003
Balance, Beginning of Year	$435,026	$459,634
Source of School Generated Funds (SGF)		
SGF for the year	1,119,091	1,109,619
Less: Costs of generating SGF	(389,303)	(363,140)
Donations received	28,081	37,715
Net SGF available for the year	1,192,895	1,243,828
Application of Net SGF		
Less: Net SGF expended for the year	(787,974)	(808,802)
Balance, End of Year	$404,921	$435,026

14. UNRESTRICTED AND INTERNALLY RESTRICTED NET ASSETS

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the Board.

	Balance, beginning of year	Appropriated during the year	Utilized during the year	Balance, end of year
Unrestricted	**$903,069**	**$0**	**$0**	**$903,069**
Internally Restricted:				
Operating Reserves				
Schools	2,135,308	5,053	34,405	2,105,956
Operations and Maintenance	44,719	3,578	1,639	46,658
Board and System Administration	191,736	14,319	131,536	74,519
Transportation	46,640	111,497	0	158,137
External Services	272,450	0	216,015	56,435
	2,690,853	**134,447**	**383,595**	**2,441,705**
Capital Reserves				
Buildings (supported)	50,419	0	0	50,419
Equipment	244,596	0	0	244,596
Vehicles	667,351	417,580	8,947	1,075,984
	962,366	**417,580**	**8,947**	**1,370,999**
Total Reserves	**$3,653,219**	**$552,027**	**$392,542**	**$3,812,704**
Total Unrestricted and Internally Restricted Net Assets	**$4,556,288**	**$552,027**	**$392,542**	**$4,715,773**

PEMBINA HILLS REGIONAL DIVISION NO. 7

Notes to the Financial Statements
For the Year Ended August 31, 2004

15. TOTAL EXPENSES BY PROGRAM

	2004 Actual	2004 Budget	2003 Actual
Early childhood services	$1,603,354	$1,064,383	$1,577,256
Student instruction	26,652,364	25,881,097	26,463,422
School generated funds	787,975	812,287	808,802
Operations & maintenance of schools	5,637,316	6,011,603	6,007,949
Student Transportation	4,290,870	4,104,598	4,177,504
Board and System Administration (see note below)	1,588,496	1,481,472	1,505,862
External services	1,282,132	997,040	1,697,132
	$41,842,507	**$40,352,480**	**$42,237,927**

Note - Re: Board and System Administration expenses
Effective June 2, 1997, Pembina Hills Regional Division No. 7 assumed responsibility for the operation of the Alberta Distance Learning Centre from the Department of Education. The Board and System Administration of Pembina Hills charge their subsidiary, ADLC, a management services fee to provide them with Board and System Administration services. The fee is calculated at 4% of ADLC's revenue and is netted out of Pembina Hills' Board and System Administration expenses. For the year ended August 31, 2004, the management services fee amounted to $312,312 which can be broken down as follows:

	2004	2003
Board governance fees	$15,000	$15,000
Benefits - board governance	4,000	4,000
Certificated salaries	112,000	107,588
Uncertificated salaries	119,000	118,000
Benefits - system administration	35,916	50,000
Services, contracts and supplies	26,396	20,665
	$312,312	**$315,253**

16. VISTA VIRTUAL SCHOOL

Pembina Hills Regional Division No. 7 operates a virtual school, known as the Vista Virtual School, under the authority of the School Act and contracts its subsidiary, the Alberta Distance Learning Centre, to provide the educational services for students registered. Pembina Hills' records the funding received from the virtual school and includes the student count in their jurisdiction count. The amount of funding transferred to ADLC is recorded as an expense to Pembina Hills. ADLC nets the amount transferred from Pembina Hills for the virtual school against their expenses.

For 2003/04 there were 1,121 funded students registered with Vista Virtual School. Many of the Vista Virtual students are in grades 11 and 12, returning to high school and taking only one (1) to two (2) courses each.

The total amount of funding transferred in 2003/04 from Pembina Hills to ADLC for the educational services of Vista Virtual students is as follows:

Certificated Salaries, Student Instruction	$879,327
Certificated Benefits, Student Instruction	100,003
Contracts, Services & Supplies, Student Instruction	510,246
Certificated Salaries, School Admin. & Instruction Support	354,611
Certificated Benefits, School Admin. & Instruction Support	45,311
Uncertificated Salaries, School Admin. & Instruction Support	78,802
Uncertificated Benefits, School Admin. & Instruction Support	15,760
	$1,984,060

17. DISCLOSURE OF SALARIES AND BENEFITS

	No.	Salaries and Wages	Benefits/Allow./ ERIP's/Other	Total	Expenses
Board of Trustees:					
Chairman					
C. Jespersen	1	$25,094	$4,609	$29,703	$7,844
Board Members					
G. Borg	1	11,971	4,191	16,162	4,161
L. Hodge	1	13,566	274	13,840	4,690
M. Kubinec	1	10,014	4,112	14,126	3,218
K. Nagel	1	17,554	950	18,504	10,957
J. Venables	1	18,931	3,190	22,121	6,736
S. Volomey	1	17,554	1,761	19,315	4,780
Superintendent				-	
D. Panas	1	122,500	8,651	131,151	4,470
Secretary Treasurer				-	
T. Meunier	1	95,000	15,166	110,166	3,828
Cert. Salaries	234	17,778,955	2,036,804	19,815,759	
Uncert. Salaries	318	7,154,285	1,437,966	8,592,251	
		$25,265,424	**$3,517,674**	**$28,783,098**	

Note: - Re: Number of Employees
Number of certificated employees reported are full time equivalents as at September 30, 2003.
Number of uncertificated employees reported are total numbers as at September 30, 2003.

Note - Re: Salaries and Benefits for Trustees and designated System Administration:
Reported figures for Trustees and designated personnel include board and management services provided to ADLC (refer to note #15).

18. ALBERTA ONLINE CONSORTIUM

Pembina Hills Regional Division No. 7 ceased being a banker board for the Alberta OnLine Consortium effective March 31, 2004.
Included in the 2003/04 Audited Financial Statements for Pembina Hills Regional Division No. 7 is an operational deficit of $139,342.42 attributable to the Alberta OnLine Consortium. This amount is included in net transfers from operating reserves on the Statement of Changes in Net Assets. In addition, there was $68,659 in accumulated operating reserves held in trust for AOC. This amount has been transferred to AOC and is included in net transfers from operating reserves on the Statement of Changes in Net Assets.

19. COMMITMENTS

The School Division has no major commitments for the ensuing fiscal year.

20. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Pembina Hills Regional Division No. 7's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

21. CONTINGENCIES

a) The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. The payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

22. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees on June 11, 2003. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 1175

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$25,282,248	$1,612,138	$23,670,110						
(2) Support block	$5,708,711				$4,191,878			$1,514,833	
(3) Instruction & support block reallocations	$0	($36,664)	$82,235		($45,571)			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$556,701	$0	$556,701						
(5) Student Health Initiative (SHI)	$274,504	$0	$253,905						$20,599
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,036,000	$0	$1,018,535					$17,465	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$633,204	$5,577	$54,000	$0	$0			$0	$573,627
(11) **Total Alberta Learning Revenue**	$33,489,368	$1,581,051	$25,635,486	$0	$4,146,307			$1,532,298	$594,226
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$305,971			$305,971					
(13) Operations & Maintenance support	$2,967,335			$2,967,335					
(14) Operations & Maintenance support (One-Time)	$67,633			$67,633					
(15) **Total Alberta Infrastructure Revenue**	$3,340,939			$3,340,939					
(16) **Alberta Finance**	$1,344,511			$1,344,511					$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$173,658	$4,095	$94,006	$0	$0			$0	$75,557
(19) **Other Alberta school authorities**	$10,837	$0	$10,837	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$14,210	$0	$14,210	$0	$0			$0	$0
(22) **Instruction resource fees**	$356,562	$18,209	$338,353						
(23) **Transportation fees**	$112,101				$112,101				
(24) **Other sales and services**	$899,329	$0	$351,067	$6,528	$76,736			$356	$464,642
(25) **Investment income**	$195,423	$0	$166,588	$6,935	$1,484			$20,065	$351
(26) **Gifts and donations**	$2,640	$0	$2,640	$0	$0				$0
(27) **Rentals of facilities**	$45,448		$4,768	$40,680	$0			$0	$0
(28) **Net school generated funds**	$787,975	$0	$787,975	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$57,066		$0	$0	$57,066			$0	$0
(30) **Amortization of capital allocations**	$896,085		$0	$896,085	$0				$0
(31) **TOTAL REVENUES**	$41,726,152	$1,603,355	$27,405,930	$5,635,678	$4,393,694			$1,552,719	$1,134,776
EXPENSES									
(32) **Certificated salaries**	$17,901,454	$742,243	$16,955,933				$203,278	$203,278	$0
(33) **Certificated benefits**	$2,045,455	$89,069	$1,932,919				$23,467	$23,467	$0
(34) **Uncertificated salaries and wages**	$7,363,969	$474,240	$3,795,758	$568,185	$1,750,503	$99,682	$469,730	$569,412	$205,871
(35) **Uncertificated benefits**	$1,472,220	$68,975	$704,657	$113,233	$435,106	$15,087	$99,924	$115,011	$35,238
(36) **SUB - TOTAL**	$28,783,098	$1,374,527	$23,389,267	$681,418	$2,185,609	$114,769	$796,399	$911,168	$241,109
(37) **Services, contracts & supplies**	$9,578,202	$228,828	$3,104,243	$2,669,621	$1,820,185	$107,121	$555,730	$662,851	$1,092,474
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$147,129	$0	($95,679)	$0	$0	$0	($51,450)
(39) **Net school generated funds**	$787,975	$0	$787,975	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$896,085	$0	$0	$896,085	$0		$0	$0	$0
(41) Unsupported	$449,203	$0	$8,448	$45,680	$380,756	$0	$14,319	$14,319	$0
(42) Total Amortization	$1,345,288	$0	$8,448	$941,765	$380,756	$0	$14,319	$14,319	$0
Interest on capital debt									
(43) Supported	$1,344,511	$0	$0	$1,344,511	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$3,433	$0	$3,275	$0	$0		$158	$158	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$41,842,507	$1,603,355	$27,440,337	$5,637,315	$4,290,871	$221,890	$1,366,606	$1,588,496	$1,282,133
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($116,355)	$0	($34,407)	($1,637)	$102,823			($35,777)	($147,357)

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,815,124	$1,195,236	$149,712	$848,036	$425,480	$371,370	$150,975	$16,955,933
Certificated benefits	$1,548,710	$157,914	$13,474	$101,541	$52,780	$44,912	$13,588	$1,932,919
Uncertificated salaries and wages	$361,437	$1,387,442	$64,190	$463,953	$1,458,705	$30,616	$29,415	$3,795,758
Uncertificated benefits	$78,570	$243,862	$13,480	$86,289	$268,199	$8,143	$6,114	$704,657
SUB - TOTAL REMUNERATION	$15,803,841	$2,984,454	$240,856	$1,499,819	$2,205,164	$455,041	$200,092	$23,389,267
Services, contracts & supplies	$1,724,661	$1,075,566	$27,283	$8,669	$112,591	$101,660	$53,813	$3,104,243
Cost recoveries & transfers	$95,679	$51,450	$0	$0	$0	$0	$0	$147,129
Net school generated funds	$787,975							$787,975
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$8,448	$0					$8,448
Total Amortization	$0	$8,448	$0					$8,448
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$3,275						$3,275
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$18,412,156	$4,123,193	$268,139	$1,508,488	$2,317,755	$556,701	$253,905	$27,440,337
FTE Certificated				12.5	6.3			
FTE Uncertificated				23.2	72.9			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$20,375,607	$1,829,141	$1,432,091	$82,235	$23,719,074	$18,782,653	$4,936,421
School Admin & Instruction Support Expenses						$4,123,193	($4,123,193)
System Instruction Support Expenses						$268,139	($268,139)
Total Basic Instruction	$20,375,607	$1,829,141	$1,432,091	$82,235	$23,719,074	$23,173,985	$545,089
Sub-Programs & Initiatives							
Severely Disabled	$1,646,852	$54,000	$0		$1,700,852	$2,317,755	($616,903)
English as a Second Language	$41,952				$41,952	$43,904	($1,952)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$82,570		$0		$82,570	$75,964	$6,606
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$601,077				$601,077		$601,077
Growth & Density	$353,785				$353,785		$353,785
Teacher Assistants Program	$79,310				$79,310	$126,327	($47,017)
Early Literacy Initiative (K 2)	$168,213				$168,213	$168,213	$0
Learning Resources Credit & Resources for the Classroom	$43,681	$0	$338,353		$382,034	$1,257,126	($875,092)
Technology Integration	$266,776		$0		$266,776	$266,776	$0
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$10,287		$0		$10,287	$10,287	$0
Total Sub-Programs & Initiatives	$3,294,503		$338,353		$3,686,856	$4,266,352	($579,496)
INSTRUCTION, GRADES 1-12	$23,670,110	$1,883,141	$1,770,444	$82,235	$27,405,930	$27,440,337	($34,407)

School Jurisdiction Code: 1175

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$25,015,472
Support Block - Transportation	$4,191,878
SUBTOTAL	$29,207,350
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,967,335
Teacher Salary Enhancement	$1,036,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$173,658
Other Alberta school authorities	$10,837
Out of province local authorities	$0
Alberta municipalities	$14,210
Other sales and services	$899,329
Interest on investments	$195,423
Rentals of facilities	$45,448
Gains on disposal of capital assets	$57,066
Amortization of capital allocations	$896,085
School generated funds (Schedule E)	$1,119,091
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$36,621,832**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.83%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,768,834
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,768,834**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,588,496
PLUS: transfers to Restricted - Operating (Board/System Administration)	$14,319
LESS: transfers from Restricted - Operating (Board/System Administration)	-$35,778
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,567,037
Maximum Expense Limit for Board & System Administration (Step 3)	$1,768,834
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$201,797

School Jurisdiction Code: 1175

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$435,026
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,119,091	
Less: SGF - related cost recoveries (Note 3)	$389,303	
- capitalized at the District level (Note 4)	$0	
Net Total	$729,788	
Plus: Donations Received (Note 5)	$28,081	
Equals: Net Additions to SGF		$757,869
Net SGF Available for discretionary spending		$1,192,895
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$787,975
Unexpended SGF - Closing Balance August 31, 2004		$404,920

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1175

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$392,380	$0	$87,339	$88,466	$568,185		$568,185
Uncertificated benefits	$0	$68,196	$0	$29,113	$15,924	$113,233		$113,233
Sub-total Remuneration	$0	$460,576	$0	$116,452	$104,390	$681,418		$681,418
Contracted Services	$826,869	$179,340	$0	$107,986	$8,473	$1,122,668		$1,122,668
Supplies	$52,558	$343,105	$0	$81,533	$11,838	$489,034		$489,034
Electricity			$514,993			$514,993		$514,993
Natural Gas/Heating Fuel			$365,871			$365,871		$365,871
Sewer and Water			$45,803			$45,803		$45,803
Telecommunications			$15,497			$15,497		$15,497
Insurance					$115,755	$115,755		$115,755
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$896,085	$896,085
Unsupported						$45,680		$45,680
Total Amortization						$45,680	$896,085	$941,765
Interest on capital debt								
Supported							$1,344,511	$1,344,511
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$879,427	$983,021	$942,164	$305,971	$240,456	$3,396,719	$2,240,596	$5,637,315
SQUARE METRES								
School Buildings								58,964.2
Non School Buildings								4,244.8
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1175

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Clayton Jaspersen	1.0	$25,094	$4,609	$0			$29,703	$7,844
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Garry Borg	1.0	$11,971	$4,191	$0			$16,162	$4,161
Name	Laurie Hodge	1.0	$13,566	$274	$0			$13,840	$4,690
Name	Maureen Kubinec	1.0	$10,014	$4,112	$0			$14,126	$3,218
Name	Kenneth Nagel	1.0	$17,554	$950	$0			$18,504	$10,957
Name	Joyce Venables	1.0	$18,931	$3,190	$0			$22,121	$6,736
Name	Sharon Volorney	1.0	$17,554	$1,761	$0			$19,315	$4,780
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$114,684*	*$19,087*	*$0*			*$133,771*	*$42,386*
Superintendent	David Panas	1.0	$122,500	$8,651	$0	$0	$0	$131,151	$4,470
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Tracy Meunier	1.0	$95,000	$15,166	$0	$0	$0	$110,166	$3,828
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		234.0	$17,778,954	$2,036,804	$0	$0	$0	$19,815,758	
Uncertificated Salaries & Wages		318.0	$7,154,285	$1,437,967	$0	$0	$0	$8,592,252	
TOTALS			**$25,265,423**	**$3,517,675**	**$0**	**$0**	**$0**	**$28,783,098**	

Note: Employed or contracted out. Please refer to completion information on page 15

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 1115

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Prairie Land Regional Division #25
Legal Name of School Jurisdiction

Bag Service 1400, Hanna, Alberta T0J 1P0
Mailing Address

Phone (403) 854-4481 Fax (403) 854-2803
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Prairie Land Regional Division #25
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

John Neill	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Bill Lee	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Sharon Orum	**"ORIGINAL SIGNED"**
Name	**Signature**

24-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

ELL & ANDERSON
CHARTERED ACCOUNTANTS
Tim L. Ell, B. Mgmt., C.A. *
Kelly D. Anderson, B. Comm., C.A. *

203-2nd Avenue,
Box 2110, Hanna,
Alberta T0J 1P0
Phone: (403) 854-4421
Fax: (403) 854-2023

5015 Victoria Avenue
Box 720, Coronation,
Alberta T0C 1C0
Phone: (403) 578-4014
Fax: (403) 578-3561

Auditor's Report

To the Board of Trustees
Prairie Land Regional Division #25

We have audited the statement of financial position of the Prairie Land Regional Division #25 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

HANNA, ALBERTA
NOVEMBER 16, 2004

CHARTERED ACCOUNTANTS

Member of
The Institute of Chartered Accountants of Alberta

* denotes operating as a professional corporation

School Jurisdiction Code: 1115

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 Restated
ASSETS			
Current assets			
Cash and temporary investments		$5,580,091	$6,294,519
Accounts receivable (net after allowances)		$913,240	$597,030
Prepaid expenses		$16,467	$83,727
Other current assets		$0	$0
Total current assets		$6,509,798	$6,975,276
School generated assets		$299,730	$260,282
Trust assets		$686,538	$676,253
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$574,670	$574,670
Buildings	$32,197,420		
Less: accumulated amortization	($13,630,717)	$18,566,703	$19,358,870
Equipment	$1,235,911		
Less: accumulated amortization	($568,627)	$667,284	$737,906
Vehicles	$4,330,468		
Less: accumulated amortization	($2,878,940)	$1,451,528	$1,486,167
Total capital assets		$21,260,185	$22,157,613
TOTAL ASSETS		$28,756,251	$30,069,424
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$822,416	$789,957
Deferred revenue		$323,687	$723,140
Deferred capital allocations		$345,239	$407,769
Current portion of all long term debt		$545,974	$656,454
Total current liabilities		$2,037,316	$2,577,320
School generated liabilities		$299,730	$260,282
Trust liabilities		$686,538	$676,253
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$3,582,630	$4,239,084
Less: Current portion of supported debt		($545,974)	($656,454)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$14,487,524	$14,602,570
Total long term liabilities		$18,510,448	$19,121,735
TOTAL LIABILITIES		$20,547,764	$21,699,055
NET ASSETS			
Unrestricted net assets		$268,635	$136,175
Operating Reserves		$3,469,150	$3,898,011
Accumulated Operating Surplus (Deficit)		$3,737,785	$4,034,186
Investment in capital assets		$3,190,041	$3,315,969
Capital Reserves		$1,280,661	$1,020,213
Total Capital Funds		$4,470,702	$4,336,182
Total net assets		$8,208,487	$8,370,368
TOTAL LIABILITIES AND NET ASSETS		$28,756,251	$30,069,423

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 1115

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003 Restated
REVENUES			
Alberta Learning	$15,378,589	$15,215,457	$15,155,480
Alberta Infrastructure	$1,861,903	$1,388,835	$1,329,833
Alberta Finance	$351,968	$656,454	$413,664
Other Government of Alberta	$29,623	$106,200	$15,195
Federal Government and/or First Nations	$13,321	$0	$7,064
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$481,951	$127,356	$167,114
Instruction resource fees	$143,597	$124,865	$155,913
Transportation fees	$0	$0	$0
Other sales and services	$198,231	$18,000	$100,258
Investment income	$189,582	$200,000	$229,061
Gifts and donations	$1,241	$0	$23,531
Rentals of facilities	$105,295	$105,000	$106,507
Net school generated funds	$289,951	$280,000	$328,933
Gains on disposal of capital assets	$52,210	$15,000	$83,041
Amortization of capital allocations	$793,121	$794,157	$793,121
Total Revenues	$19,890,583	$19,031,324	$18,908,715
EXPENSES			
Certificated salaries	$9,248,968	$8,500,000	$9,014,351
Certificated benefits	$993,478	$850,000	$978,494
Uncertificated salaries and wages	$3,800,639	$3,600,000	$3,821,983
Uncertificated benefits	$657,796	$550,000	$634,623
Services, contracts and supplies	$3,389,837	$5,004,264	$3,287,985
Net school generated funds	$289,951	$280,000	$328,933
Capital and debt services			
Amortization of capital assets			
Supported	$793,121	$794,157	$793,121
Unsupported	$526,706	$550,000	$513,350
Total Amortization of capital assets	$1,319,827	$1,344,157	$1,306,471
Interest on capital debt			
Supported	$351,968	$480,000	$413,664
Unsupported	$0	$0	$0
Total Interest on capital debt	$351,968	$480,000	$413,664
Other interest charges	$0		$0
Losses on disposal of capital assets	$0	$0	$21,660
Total Expenses	$20,052,464	$20,608,421	$19,808,164
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($161,881)	($1,577,097)	($899,449)
Unrestricted revenues used for capital purposes	$0	$0	$55,398
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($161,881)	($1,577,097)	($844,051)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1115

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($161,881)	($844,051)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($793,121)	($793,121)
Total amortization expense	$1,319,827	$1,306,471
Gains on disposal of capital assets	($52,210)	($83,041)
Losses on sale of capital assets	$0	$21,660
Changes in accrued accounts:		
Accounts receivable	($316,210)	($77,604)
Prepaids and other current assets	$67,260	$387
Long term accounts receivable	$0	($128,810)
Long term investments	$0	$124,007
Payables and accrued liabilities	$32,459	$0
Deferred revenue	($399,453)	$0
Employee future benefits	$0	$0
Other (describe) Deferred Capital Allocations	($62,530)	$0
Total sources (uses) of cash from Operations	($365,859)	($474,102)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($25,000)	($114,720)
Equipment	($65,539)	($94,992)
Vehicles	($335,240)	($122,808)
Net proceeds from disposal of capital assets	$52,210	$119,379
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($373,569)	($213,141)
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($656,454)	($683,901)
Add back: supported portion	$656,454	$683,904
Other (describe) Deferred Captial Allocations	$25,000	$0
Total sources (uses) from Financing activities	$25,000	$3
Net sources (uses) of cash equivalents* during year	($714,428)	($687,240)
Cash Equivalents at the beginning of the year	$6,294,519	$6,981,759
Cash Equivalents at the end of the year	$5,580,091	$6,294,519

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$8,370,368	$3,315,969	$136,175	$4,918,224	$2,756,992	$396,423	$770,809	$249,336	$230,000	$3,000	$0	$371,454	$140,210	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$8,370,368	$3,315,969	$136,175	$4,918,224	$2,756,992	$396,423	$770,809	$249,336	$230,000	$3,000	$0	$371,454	$140,210	$0
Surplus(def) of revenue over expenses	($161,881)		($161,881)											
Board funded capital transactions		$400,778	$0	($400,778)	($45,482)	($40,954)	($21,474)	($24,955)	$0	$0	$0	($267,913)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,319,827)	$1,319,827											
Amortization of capital allocations		$793,121	($793,121)											
Disposal of unsupported capital assets	$0		($52,210)	$52,210		$0		$43,660		$0		$8,550		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($605,899)	$605,899	$195,803		$391,814		$0		$0		$18,282	
Net transfers from operating reserves			$967,804	($967,804)	($967,804)		$0		$0		$0		$0	
Net transfers to capital reserves			($542,060)	$542,060		$0		$0		$0		$542,060		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$8,208,487	$3,190,041	$268,635	$4,749,811	$1,939,509	$355,469	$1,141,149	$268,041	$230,000	$3,000	$0	$654,151	$158,492	$0

School Jurisdiction Code: 1115

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003	Restated	$407,769	$14,602,570
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$656,454
Expended capital allocations - current year		($62,530)	$62,530
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$40,909
Capital allocations amortized to revenue			$793,121
Balance at August 31, 2004		$345,239	$14,487,524

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2004

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay

Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and post service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Prairie Land Regional Division #25 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $275,396 for the Year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

f) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g) Contributed Services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h) Financial Instruments
The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

i) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j) Employee Future Benefits
The jurisdiction accounted for the future cost of employee benefits commencing in the 2002/2003 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

k) Investments
Investments are recorded at the lower of cost and market value.

PRAIRIE LAND REGIONAL DIVISION #25
Notes to the Financial Statements
Year Ended August 31, 2004

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3. ACCOUNTS RECEIVABLE

	2004	2003
Alberta Learning	$1,660	$66,187
Federal Government	99,867	117,949
Other Alberta School Jurisdictions	29,066	56,108
Other Province of Alberta	2,800	6,525
Alberta Finance	693,679	285,415
Other	86,169	64,846
Total	$913,241	$597,030

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $500,000 that bears interest at the bank prime rate. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

5. DEFERRED REVENUE

	2004	2003
One Time Grant Funding – AISI	$183,623	$203,636
BQRP	83,353	190,832
Alberta Infrastructure		154,270
Altario ECS Donation	15,000	15,000
Severe/ behavioral		94,812
Program unit funding		23,555
Other	41,711	41,035
Total	$323,687	$723,140

6. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2004	2003
Scholarship Trusts		
Berry Creek	$266,492	$263,276
Cochrane	5,880	5,817
McLaren-Cook	3,817	3,652
Deugo	2,138	2,045
Fielding	59,160	58,698
Neutral Hills	64,608	64,266
Gourlay	3,655	3,643
Housch	1,123	1,075
Gramlich	2,038	1,998
Kush	8,344	8,159
Olsen	5,012	4,986
Shepherd	6,102	5,838
Todd	5,906	5,650
Ward	7,080	6,868
Prairie Land interest on $200,000 fund	20,346	15,962
Wimmer	3,690	3,677
JC Charyk	34,797	37,070
Special Areas #2 Bursary	134,089	133,573
Faupel	52,261	50,000
Total	$686,538	$676,253

7. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Treasury. The current portion of long-term debt consists entirely of amounts payable by Alberta Treasury on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004-2005	$545,974	$322,100	$868,074
2005-2006	518,474	272,679	791,153
2006-2007	518,474	226,112	744,586
2007-2008	518,474	179,544	698,018
2008-2009	359,204	132,977	492,181
2009 to maturity	1,122,031	286,811	1,408,842
Total	$3,582,631	$1,420,223	$5,002,854

b) Capital Leases – Unsupported

There are currently no capital leases held by the jurisdiction.

8. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditures has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

10. ALBERTA TEACHER RETIREMENT FUND

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by the active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, Prairie Land Regional Division #25 does not make pension contributions for certified staff.

11. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. PRIOR PERIOD ADJUSTMENT

In the prior year Alberta Learning approved a reserve transfer of certain building capital reserves to deferred capital allocations for future supported building costs, the amounts of which had not been previously recorded in the accounts. This adjustment resulted in capital reserves being decreased by $407,769 and deferred capital allocations being increased by $407,769.

14. ECONOMIC DEPENDANCE ON RELATED THIRD PARTY

Prairie Land Regional Division #25's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependant on this funding.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 1115

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin	External Services
Alberta Learning allocations									
(1) Instruction block	$11 310 832	$476 381	$10 834 451						
(2) Support block	$2 721 577				$1 866 183			$855 394	
(3) Instruction & support block reallocations	$137 054	$0	$0		$0			$0	$137 054
(4) Alberta Initiative for School Improvement (AISI)	$234 633	$45 000	$189 633						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$543 000	$0	$543 000					$0	$0
(8) Regional P D Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$431 493	$0	$431 493	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$15 378 589	$521 381	$11 998 577	$0	$1 866 183			$855 394	$137 054
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$220 108			$220 108					
(13) Operations & Maintenance support	$1 641 797			$1 641 797					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1 861 903			$1 861 903					
(16) **Alberta Finance**	$351 968			$351 968					$0
(17) **Other - Government of Alberta**	$29 623	$0	$0	$0	$7 928			$0	$21 695
(18) **Federal Government and/or First Nations**	$13 321	$0	$3 304	$10 017	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$481 951	$0	$0	$315 000	$0			$0	$166 951
(22) **Instruction resource fees**	$143 597	$6 780	$136 817						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$198 231	$0	$85 862	$69 490	$42 879			$0	$0
(25) **Investment income**	$189 582	$0	$5 072	$184 510	$0			$0	$0
(26) **Gifts and donations**	$1 241	$0	$1 241	$0	$0				$0
(27) **Rentals of facilities**	$105 295		$4 572	$100 723	$0			$0	$0
(28) **Net school generated funds**	$289 951	$0	$289 951	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$52 210		$0	$43 660	$8 550			$0	$0
(30) **Amortization of capital allocations**	$793 121		$28 783	$764 338	$0				$0
(31) **TOTAL REVENUES**	$19 890 583	$528 161	$12 554 179	$3 701 609	$1 925 540			$855 394	$325 700
EXPENSES									
(32) **Certificated salaries**	$9 248 968	$199 575	$8 923 120				$126 273	$126 273	$0
(33) **Certificated benefits**	$993 478	$23 230	$958 997				$11 251	$11 251	$0
(34) **Uncertificated salaries and wages**	$3 800 639	$157 492	$1 384 299	$717 308	$1 105 331	$57 618	$169 382	$227 000	$209 209
(35) **Uncertificated benefits**	$657 796	$34 518	$292 836	$139 574	$108 229	$1 518	$40 959	$42 477	$40 162
(36) **SUB - TOTAL**	$14 700 881	$414 815	$11 559 252	$856 882	$1 213 560	$59 136	$347 865	$407 001	$249 371
(37) **Services, contracts & supplies**	$3 389 837	$79 763	$1 322 621	$1 177 356	$537 524	$72 818	$148 781	$221 599	$50 974
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$289 951	$0	$289 951	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$793 121	$0	$28 783	$764 338	$0		$0	$0	$0
(41) Unsupported	$526 706	$0	$111 869	$75 248	$322 039	$0	$17 550	$17 550	$0
(42) Total Amortization	$1 319 827	$0	$140 652	$839 586	$322 039	$0	$17 550	$17 550	$0
Interest on capital debt									
(43) Supported	$351 968	$0	$0	$351 968	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$20 052 464	$494 578	$13 312 476	$3 225 792	$2 073 123	$131 954	$514 196	$646 150	$300 345
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($161 881)	$33 583	($758 297)	$475 817	($147 583)			$209 244	$25 355

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$7,643,232	$613,574	$224,079	$243,007	$0	$199,228	$0	$8,923,120
Certificated benefits	$816,033	$62,510	$27,957	$26,197	$0	$26,300	$0	$958,997
Uncertificated salaries and wages	$114,836	$452,821	$165,778	$332,361	$297,277	$3,054	$18,172	$1,384,299
Uncertificated benefits	$36,245	$96,076	$28,787	$66,760	$61,670	$32	$3,266	$292,836
SUB - TOTAL REMUNERATION	$8,610,346	$1,224,981	$446,601	$668,325	$358,947	$228,614	$21,438	$11,559,252
Services, contracts & supplies	$682,666	$157,998	$335,158	$4,928	$50,333	$66,928	$24,610	$1,322,621
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$289,951							$289,951
Amortization of capital assets								
Supported	$0	$0	$28,783					$28,783
Unsupported	$77,467	$0	$34,402					$111,869
Total Amortization	$77,467	$0	$63,185					$140,652
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$9,660,430	$1,382,979	$844,944	$673,253	$409,280	$295,542	$46,048	$13,312,476
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	0.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$7,485,032	$1,071,674	$418,735	$0	$8,975,441	$10,675,273	($1,699,832)
School Admin & Instruction Support Expenses						$1,382,979	($1,382,979)
System Instruction Support Expenses						$844,944	($844,944)
Total Basic Instruction	$7,485,032	$1,071,674	$418,735	$0	$8,975,441	$12,903,196	($3,927,755)
Sub-Programs & Initiatives							
Severely Disabled	$381,187	$64,234	$0		$445,421	$409,280	$36,141
English as a Second Language	$113,344				$113,344	$0	$113,344
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$2,666,758				$2,666,758		$2,666,758
Growth & Density	$368				$368		$368
Teacher Assistants Program	$33,602				$33,602	$0	$33,602
Early Literacy Initiative (K-2)	$60,909				$60,909	$0	$60,909
Learning Resources Credit & Resources for the Classroom	$13,641	$28,218	$136,817		$178,676	$0	$178,676
Technology Integration	$73,260		$50		$73,310	$0	$73,310
French Language Program & Francisation (all jurisdictions)	$1,778		$0		$1,778	$0	$1,778
Home Education	$4,572		$0		$4,572	$0	$4,572
Total Sub-Programs & Initiatives	$3,349,419		$136,867		$3,578,738	$409,280	$3,169,458
INSTRUCTION, GRADES 1-12	$10,834,451	$1,164,126	$555,602	$0	$12,554,179	$13,312,476	($758,297)

School Jurisdiction Code: 1115

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$11,237,572
Support Block - Transportation	$1,866,183
SUBTOTAL	$13,103,755

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,641,797
Teacher Salary Enhancement	$543,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$29,623
Federal government/First Nations	$13,321
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$481,951
Other sales and services	$198,231
Interest on investments	$189,582
Rentals of facilities	$105,295
Gains on disposal of capital assets	$52,210
Amortization of capital allocations	$793,121
School generated funds (Schedule E)	$480,100
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$17,631,986**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,057,919
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,057,919**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$646,150
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$646,150
Maximum Expense Limit for Board & System Administration (Step 3)	$1,057,919
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$411,769

School Jurisdiction Code: 1115

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$260,282
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$480,100	
Less: SGF - related cost recoveries (Note 3)	$194,352	
- capitalized at the District level (Note 4)	$0	
Net Total	$285,748	
Plus: Donations Received (Note 5)	$43,651	
Equals: Net Additions to SGF		$329,399
Net SGF Available for discretionary spending		$589,681
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$289,951
Unexpended SGF - Closing Balance August 31, 2004		$299,730

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1115

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$439,750	$234,847	$0	$0	$42,711	$717,308		$717,308
Uncertificated benefits	$84,782	$47,161	$0	$0	$7,631	$139,574		$139,574
Sub-total Remuneration	$524,532	$282,008	$0	$0	$50,342	$856,882		$856,882
Contracted Services	$0	$49,259	$0	$177,448	$0	$226,707		$226,707
Supplies	$61,061	$186,401	$0	$42,658	$0	$290,120		$290,120
Electricity			$281,485			$281,485		$281,485
Natural Gas/Heating Fuel			$234,764			$234,764		$234,764
Sewer and Water			$59,110			$59,110		$59,110
Telecommunications			$11,817			$11,817		$11,817
Insurance					$73,353	$73,353		$73,353
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$764,338	$764,338
Unsupported						$75,248		$75,248
Total Amortization						$75,248	$764,338	$839,586
Interest on capital debt								
Supported							$351,968	$351,968
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$585,593	$517,668	$587,176	$220,106	$123,695	$2,109,486	$1,116,306	$3,225,792
SQUARE METRES								
School Buildings								30,824.1
Non School Buildings								5,820.8
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications.
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1115

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	John Neill	1.0	$11,228	$304	$0			$11,532	$6,078
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Richard Bailey	1.0	$6,655	$140	$0			$6,795	$3,920
Name	David Beckie	1.0	$4,317	$125	$0			$4,442	$255
Name	Faye Byrgesen	1.0	$3,030	$224	$0			$3,254	$1,170
Name	John Hetherington	1.0	$7,462	$152	$0			$7,614	$3,429
Name	Angie Moe	1.0	$7,158	$144	$0			$7,302	$2,533
Name	Gloria Nelson	1.0	$8,404	$170	$0			$8,574	$3,892
Name	Vern Thuroo	1.0	$9,364	$260	$0			$9,624	$5,834
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*8.0*	*$57,618*	*$1,519*	*$0*			*$59,137*	*$27,111*
Superintendent	Bill Lee	0.1	$7,115	$9,999	$0	$0	$0	$17,114	$1,538
Superintendent	Garry Andrews	0.9	$99,706	$8,640	$0	$0	$0	$108,346	$2,822
Secretary/Treasurer	Sharon Orum	0.1	$6,300	$1,448	$0	$0	$0	$7,748	$1,017
Secretary/Treasurer	Allan Kallal	0.9	$77,310	$12,995	$0	$0	$0	$90,305	$6,740
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		128.0	$9,102,147	$983,838	$0	$0	$40,000	$10,125,985	
Uncertificated Salaries & Wages		152.2	$3,659,411	$641,835	$0	$0	$0	$4,301,246	
TOTALS			$13,009,607	$1,660,274	$0	$0	$40,000	$14,709,881	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code: 1055

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

PRAIRIE ROSE REGIONAL DIVISION NO.8
Legal Name of School Jurisdiction

P.O. BOX 204 DUNMORE , AB T0J 1A0
Mailing Address

PHONE: 403-5275516 FAX; 403-5282264
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules PRAIRIE ROSE REGIONAL DIVISION NO 8 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
MARIAN PEERS	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
KEITH JONES	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
PATRICIA COCKS	"ORIGINAL SIGNED"

14-Dec-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

MNP

MEYERS NORRIS PENNY LLP

AUDITORS' REPORT

To the Board of Trustees
Prairie Rose Regional Division #8

We have audited the statement of financial position of the Prairie Rose Regional Division #8 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP
Chartered Accountants

Medicine Hat, Alberta
October 29, 2004

an independent member of
BAKER TILLY
INTERNATIONAL

CHARTERED ACCOUNTANTS & BUSINESS ADVISORS
666 - 4TH ST. S.E., BOX 580, MEDICINE HAT, AB T1A 7G5
1-877-500-0786 PH. (403) 527-4441 FAX (403) 526-6218 www.mnp.ca

School Jurisdiction Code: 1055

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 Restated
ASSETS			
Current assets			
Cash and temporary investments		$2,514,192	$3,470,547
Accounts receivable (net after allowances)		$1,473,006	$739,203
Prepaid expenses		$278,354	$356,010
Other current assets		$3,350	$3,350
Total current assets		$4,268,902	$4,569,110
School generated assets		$510,424	$436,237
Trust assets		$197,341	$122,661
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$779,890	$779,890
Buildings	$38,740,383		
Less: accumulated amortization	($18,329,276)	$20,411,107	$21,324,127
Equipment	$1,348,203		
Less: accumulated amortization	($225,427)	$1,122,776	$433,256
Vehicles	$227,553		
Less: accumulated amortization	($74,092)	$153,462	$103,203
Total capital assets		$22,467,234	$22,640,476
TOTAL ASSETS		$27,443,901	$27,768,484
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,472,033	$1,710,297
Deferred revenue		$379,481	$804,391
Deferred capital allocations		$16,166	$16,166
Current portion of all long term debt		$357,139	$394,206
Total current liabilities		$2,224,819	$2,925,060
School generated liabilities		$510,424	$436,237
Trust liabilities		$197,341	$122,661
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$2,670,082	$3,039,288
Less: Current portion of supported debt		($313,762)	($369,206)
Unsupported: Debentures and Capital Loans		$156,601	$198,519
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($43,377)	($25,000)
Unamortized capital allocations		$13,597,387	$13,520,470
Total long term liabilities		$16,774,696	$16,922,969
TOTAL LIABILITIES		$18,999,515	$19,848,029
NET ASSETS			
Unrestricted net assets		$985,721	$827,776
Operating Reserves		$1,314,108	$1,135,166
Accumulated Operating Surplus (Deficit)		$2,299,829	$1,962,942
Investment in capital assets		$6,043,060	$5,880,636
Capital Reserves		$101,497	$76,877
Total Capital Funds		$6,144,557	$5,957,513
Total net assets		$8,444,386	$7,920,455
TOTAL LIABILITIES AND NET ASSETS		$27,443,901	$27,768,484

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 1055

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$29,895,463	$29,584,449	$29,114,650
Alberta Infrastructure	$3,126,287	$2,746,993	$2,736,668
Alberta Finance	$267,034	$320,000	$303,019
Other Government of Alberta	$286,505	$17,570	$18,971
Federal Government and/or First Nations	$221,455	$181,188	$181,197
Other Alberta school authorities	$10,093	$11,820	$0
Out of province authorities	$32,809	$32,572	$30,432
Alberta Municipalities	$173,282	$146,020	$155,320
Instruction resource fees	$199,918	$203,540	$229,367
Transportation fees	$19,620	$17,100	$20,140
Other sales and services	$32,476	$157,000	$51,737
Investment income	$79,608	$100,000	$108,172
Gifts and donations	$196,973	$122,000	$82,070
Rentals of facilities	$135,006	$120,000	$128,268
Net school generated funds	$325,016	$239,378	$254,328
Gains on disposal of capital assets	$24,620	$0	$42,809
Amortization of capital allocations	$842,289	$947,630	$842,440
Total Revenues	$35,868,454	$34,947,260	$34,299,588
EXPENSES			
Certificated salaries	$16,438,210	$15,837,231	$16,135,173
Certificated benefits	$1,885,710	$1,821,281	$1,854,997
Uncertificated salaries and wages	$4,991,173	$4,784,075	$4,691,790
Uncertificated benefits	$839,741	$773,744	$790,352
Services, contracts and supplies	$9,537,390	$10,062,673	$8,763,582
Net school generated funds	$325,016	$239,378	$254,328
Capital and debt services			
Amortization of capital assets			
Supported	$812,120	$947,630	$871,055
Unsupported	$400,071	$274,094	$285,357
Total Amortization of capital assets	$1,212,191	$1,221,724	$1,156,412
Interest on capital debt			
Supported	$266,136	$320,000	$302,109
Unsupported	$12,281	$14,329	$14,328
Total Interest on capital debt	$278,417	$334,329	$316,437
Other interest charges	$2,276	$3,000	$3,964
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$35,510,124	$35,077,435	$33,967,035
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$358,330	($130,175)	$332,553
Unrestricted revenues used for capital purposes	$165,601	$150,000	$488,800
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$523,931	$19,825	$821,353

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1055

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$523,931	$821,355
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($842,289)	($842,440)
Total amortization expense	$1,212,191	$1,156,412
Gains on disposal of capital assets	($24,620)	($42,809)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($733,803)	($150,846)
Prepaids and other current assets	$77,656	$99,521
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($238,264)	$542,460
Deferred revenue	($424,910)	($691,531)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($450,108)	$892,122
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($165,601)	($488,799)
Equipment	($799,299)	($170,914)
Vehicles	($74,049)	($57,331)
Net proceeds from disposal of capital assets	$24,620	$42,809
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,014,329)	($674,235)
C. FINANCING ACTIVITIES		
Capital allocations received	$550,000	$3,050
Issue of long term debt		$0
Repayment of long term debt	($411,124)	($404,347)
Add back: supported portion	$369,206	$379,347
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$508,082	($21,950)
Net sources (uses) of cash equivalents* during year	($956,355)	$195,937
Cash Equivalents at the beginning of the year	$3,470,547	$3,274,610
Cash Equivalents at the end of the year	$2,514,192	$3,470,547

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1055

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$7,920,455	$5,880,636	$827,776	$1,212,043	$906,457	$0	$6,816	$76,877	$153,125	$0	$46,190	$0	$22,578	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$7,920,455	$5,880,636	$827,776	$1,212,043	$906,457	$0	$6,816	$76,877	$153,125	$0	$46,190	$0	$22,578	$0
Surplus(def) of revenue over expenses	$523,931		$523,931											
Board funded capital transactions		$488,949	($488,949)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,212,191)	$1,212,191											
Amortization of capital allocations		$842,289	($842,289)											
Disposal of unsupported capital assets	$0	$0	($24,620)	$24,620		$0		$24,620		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0				$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$43,377	($43,377)											
Net transfers to operating reserves			($1,212,730)	$1,212,730	$714,653		$210,630		$223,206		$2,350		$61,891	
Net transfers from operating reserves			$1,033,788	($1,033,788)	($805,079)		($6,816)		($153,125)		($46,190)		($22,578)	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$8,444,386	$6,043,060	$985,721	$1,415,605	$816,031	$0	$210,630	$101,497	$223,206	$0	$2,350	$0	$61,891	$0

School Jurisdiction Code: 1055

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$16,166	$13,520,470
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$550,000	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$369,206
Expended capital allocations - current year		($550,000)	$550,000
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$842,289
Balance at August 31, 2004		$16,166	$13,597,387

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

PRAIRIE ROSE REGIONAL DIVISION NO. 8

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

---

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a. REVENUE RECOGNITION

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital assets acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

b. CAPITAL ASSETS

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight-line basis. No amortization is taken in the year of acquisition and a full year of amortization is taken in the year of disposal. The rates are as follows:

Buildings	2.5% to 4%
Equipment	20%
Vehicles	10%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

c. SCHOOL GENERATED FUNDS

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

d. VACATION PAY

Vacation pay is accrued in the period in which the employee earns the benefit.

e. PENSIONS

Pension costs included in these statements comprise the cost of employer contributions for current services of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Prairie Rose Regional Division No. 8 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The Expense for this pension plan is equivalent to annual contributions of $143,525 for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

f. PREPAID EXPENSES

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

g. CONTRIBUTED SERVICES

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

h. FINANCIAL INSTRUMENTS

The jurisdiction's financial instruments consist of cash, accounts receivable, temporary and long-term investments, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Division has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

i. OPERATING AND CAPITAL RESERVES

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

PRAIRIE ROSE REGIONAL DIVISION NO. 8

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

---

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

j. EMPLOYEE FUTURE BENEFITS

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. There is no financial impact on the jurisdiction at this time.

k. MEASUREMENT UNCERTAINTY

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Amortization is based on the estimated useful lives of capital assets. Amortization of capital allocations is based on the related estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. ACCOUNTS RECEIVABLE

	2004	2003
Alberta Infrastructure	$ 830,248	$ 211,426
Other Province of Alberta	170,466	208,681
Federal Government	220,722	162,691
Alberta Municipalities	37,500	46,101
Other Alberta school jurisdictions	26,922	5,340
Other	187,148	104,964
Total	$ 1,473,006	$ 739,203

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $588,000 that bears interest at the bank prime rate less ¼%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004 (nil – 2003).

5. ACCOUNTS PAYABLE AND LIABILITIES

	2004	2003
Alberta Learning	$ 129,674	$ 44,054
Other Trade Payables and Accrued Liabilities	1,342,359	1,666,243
Total	$ 1,472,033	$ 1,710,297

6. DEFERRED REVENUE

	2004	2003
Infrastructure Maintenance Program (formerly BQRP)	$ 284,784	$ 488,367
Alberta Initiative for School Improvement	63,654	32,125
Other	31,043	283,899
Total	$ 379,481	$ 804,391

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2004	2003
Scholarship Trusts	$ 197,341	$ 122,661

8. LONG-TERM DEBT

a. DEBENTURE DEBT – SUPPORTED

The debenture debt bears interest at rates varying between 7.625% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004-2005	$ 313,762	$ 253,808	$ 567,570
2005-2006	299,846	222,764	522,610
2006-2007	274,265	193,390	467,655
2007-2008	182,490	166,656	349,146
2008-2009	182,490	149,271	331,761
2009 to maturity	1,417,229	628,135	2,045,364
Total	$ 2,670,082	$ 1,614,024	$ 4,284,106

b. DEBENTURE DEBT - UNSUPPORTED

The debenture debt bears interest at rates varying between 7.625% and 8.75%. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004-2005	$ 25,000	$ 10,234	$ 35,234
2005-2006	25,000	8,188	33,188
2006-2007	25,000	6,141	31,141
2007-2008	25,000	4,094	29,094
2008-2009	25,000	2,046	27,046
Total	$ 125,000	$ 30,703	$ 155,703

c. CAPITAL LEASES – UNSUPPORTED

There are currently no capital leases held by the jurisdiction.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

	2004	2003
Balance, Beginning of Year	$ 16,166	$ 13,116
Allocations Received & Receivable During the Year	550,000	3,050
Transfers to Unamortized Capital Allocations	(550,000)	-
Balance, End of Year	$ 16,166	$ 16,166

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. ONE TIME GRANT REVENUE

In 1999, Alberta Learning announced a One-Time Grant as a major investment in education. The jurisdiction's share of this One-Time funding was $1,084,530. There is $101,378 in funds remaining at year-end and are reported as restricted net assets.

12. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

13. COMPARATIVE FIGURES

The Budget 2004 and Actual 2003 comparative figures have been reclassified where necessary to conform to Actual 2004 presentation.

14. ECONOMIC DEPENDENCE

The Prairie Rose School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

15. CONTINGENCIES

The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdictions can liquidate.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 1055

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$22,235,532	$1,025,872	$21,209,661						
(2) Support block	$5,826,889				$4,305,047			$1,521,842	
(3) Instruction & support block reallocations	$0	$0	($62,220)		$0			$0	$62,220
(4) Alberta Initiative for School Improvement (AISI)	$358,986	$0	$358,986						
(5) Student Health Initiative (SHI)	$135,762	$0	$135,762						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,034,000		$1,017,674					$16,326	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$304,294	$0	$304,294	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$29,895,463	$1,025,872	$22,964,156	$0	$4,305,047			$1,538,168	$62,220
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$410,684			$410,684					
(13) Operations & Maintenance support	$2,715,603			$2,715,603					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$3,126,287			$3,126,287					
(16) **Alberta Finance**	$267,034			$267,034					$0
(17) **Other - Government of Alberta**	$286,505	$0	$210,000	$64,800	$0			$0	$11,705
(18) **Federal Government and/or First Nations**	$221,455	$15,313	$200,239	$5,903	$0			$0	$0
(19) **Other Alberta school authorities**	$10,093	$0	$10,093	$0	$0			$0	$0
(20) **Out of province authorities**	$32,809	$0	$32,809	$0	$0			$0	
(21) **Alberta municipalities**	$173,282	$0	$0	$0	$0			$0	$173,282
(22) **Instruction resource fees**	$199,918	$5,617	$194,301						
(23) **Transportation fees**	$19,620				$19,620				
(24) **Other sales and services**	$32,476	$0	$32,476	$0	$0			$0	$0
(25) **Investment income**	$79,608	$0	$62,558	$17,050	$0			$0	$0
(26) **Gifts and donations**	$196,973	$0	$107,485	$0	$0				$89,488
(27) **Rentals of facilities**	$135,006		$0	$1,800	$0			$0	$133,206
(28) **Net school generated funds**	$325,016	$0	$325,016	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$24,620		$0	$24,620	$0			$0	$0
(30) **Amortization of capital allocations**	$842,289		$32,289	$810,000	$0				$0
(31) **TOTAL REVENUES**	$35,868,454	$1,046,801	$24,171,422	$4,317,493	$4,324,667			$1,538,168	$469,901
EXPENSES									
(32) **Certificated salaries**	$16,438,210	$495,474	$15,663,047				$279,688	$279,688	$0
(33) **Certificated benefits**	$1,885,710	$56,980	$1,796,566				$32,164	$32,164	$0
(34) **Uncertificated salaries and wages**	$4,991,173	$195,530	$2,702,895	$1,221,977	$89,629	$115,860	$474,415	$590,275	$190,868
(35) **Uncertificated benefits**	$839,741	$26,029	$407,126	$260,722	$24,948	$5,091	$84,940	$90,031	$30,883
(36) **SUB - TOTAL**	$24,154,833	$774,013	$20,569,634	$1,482,699	$114,577	$120,951	$871,207	$992,158	$221,752
(37) **Services, contracts & supplies**	$9,537,390	$217,217	$2,846,399	$1,580,574	$4,246,984	$103,252	$342,059	$445,311	$200,905
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$325,016	$0	$325,016	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$812,120	$0	$0	$812,120	$0		$0	$0	$0
(41) Unsupported	$400,071	$0	$98,221	$260,765	$6,947	$0	$15,140	$15,140	$18,998
(42) Total Amortization	$1,212,191	$0	$98,221	$1,072,885	$6,947	$0	$15,140	$15,140	$18,998
Interest on capital debt									
(43) Supported	$266,136	$0	$0	$266,136	$0		$0	$0	$0
(44) Unsupported	$12,281	$0	$0	$0	$0	$0	$12,281	$12,281	$0
(45) Other interest charges	$2,276	$0	$0	$0	$0		$2,085	$2,085	$191
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$35,510,124	$991,230	$23,839,271	$4,402,294	$4,368,508	$224,203	$1,242,773	$1,466,976	$441,845
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$358,330	$55,572	$332,152	($84,801)	($43,840)			$71,192	$28,056

School Jurisdiction Code: 1055

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,534,811	$1,230,417	$80,694	$586,506	$79,094	$151,526	$0	$15,663,047
Certificated benefits	$1,556,503	$141,498	$9,280	$62,764	$9,096	$17,425	$0	$1,796,566
Uncertificated salaries and wages	$935,528	$545,280	$66,524	$0	$1,054,492	$16,615	$84,455	$2,702,895
Uncertificated benefits	$85,351	$108,331	$12,459	$0	$179,222	$4,432	$17,331	$407,126
SUB - TOTAL REMUNERATION	$16,112,194	$2,025,525	$168,957	$649,270	$1,321,904	$189,998	$101,786	$20,569,634
Services, contracts & supplies	$2,231,834	$189,236	$18,981	$15,621	$183,458	$189,290	$17,979	$2,846,399
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$325,016							$325,016
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$98,221	$0	$0					$98,221
Total Amortization	$98,221	$0	$0					$98,221
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$18,767,265	$2,214,762	$187,938	$664,891	$1,505,362	$379,288	$119,765	$23,839,271
FTE Certificated				8.8	1.0			
FTE Uncertificated				0.0	48.9			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,322,338	$1,687,552	$1,012,965	($62,220)	$17,960,636	$18,672,661	($712,026)
School Admin & Instruction Support Expenses						$2,214,762	($2,214,762)
System Instruction Support Expenses						$187,938	($187,938)
Total Basic Instruction	$15,322,338	$1,687,552	$1,012,965	($62,220)	$17,960,636	$21,075,361	($3,114,726)
Sub-Programs & Initiatives							
Severely Disabled	$762,774	$0	$0		$762,774	$1,505,362	($742,588)
English as a Second Language	$274,528				$274,528	$274,528	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$4,453,235				$4,453,235		$4,453,235
Growth & Density	$0				$0		$0
Teacher Assistants Program	$70,814				$70,814	$70,814	$0
Early Literacy Initiative (K-2)	$133,914				$133,914	$133,914	($0)
Learning Resources Credit & Resources for the Classroom	$35,627	$129,163	$194,301		$359,091	$359,092	($1)
Technology Integration	$148,236		$0		$148,236	$412,004	($263,768)
French Language Program & Francisation (all jurisdictions)	$3,959		$0		$3,959	$3,959	($0)
Home Education	$4,236		$0		$4,236	$4,236	($0)
Total Sub-Programs & Initiatives	$5,887,322		$194,301		$6,210,787	$2,763,909	$3,446,877
INSTRUCTION, GRADES 1-12	$21,209,661	$1,816,715	$1,207,266	($62,220)	$24,171,422	$23,839,271	$332,152

School Jurisdiction Code: 1055

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$22,087,296
Support Block - Transportation	$4,305,047
SUBTOTAL	$26,392,344

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,715,603
Teacher Salary Enhancement	$1,034,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$286,505
Federal government/First Nations	$221,455
Other Alberta school authorities	$10,093
Out of province local authorities	$32,809
Alberta municipalities	$173,282
Other sales and services	$32,476
Interest on investments	$79,608
Rentals of facilities	$135,006
Gains on disposal of capital assets	$24,620
Amortization of capital allocations	$842,289
School generated funds (Schedule E)	$1,057,527
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$33,037,617**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**5.30%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,750,994
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,750,994**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,466,976
PLUS: transfers to Restricted - Operating (Board/System Administration)	$223,206
LESS: transfers from Restricted - Operating (Board/System Administration)	-$153,125
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,537,057
Maximum Expense Limit for Board & System Administration (Step 3)	$1,750,994
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$213,937

School Jurisdiction Code: 1055

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$436,237
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,057,527	
Less: SGF - related cost recoveries (Note 3)	$664,535	
- capitalized at the District level (Note 4)	$0	
Net Total	$392,993	
Plus: Donations Received (Note 5)	$6,211	
Equals: Net Additions to SGF		$399,203
Net SGF Available for discretionary spending		$835,440
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$325,016
Unexpended SGF - Closing Balance August 31, 2004		$510,424

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1055

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$690,165	$419,311	$0	$0	$112,500	$1,221,977		$1,221,977
Uncertificated benefits	$144,935	$92,079	$0	$0	$23,709	$260,722		$260,722
Sub-total Remuneration	$835,100	$511,390	$0	$0	$136,209	$1,482,699		$1,482,699
Contracted Services	$195,144	$14,937	$0	$410,684	$7,742	$628,506		$628,506
Supplies	$62,269	$121,237	$0	$0	$3,836	$187,342		$187,342
Electricity			$314,761			$314,761		$314,761
Natural Gas/Heating Fuel			$262,008			$262,008		$262,008
Sewer and Water			$58,724			$58,724		$58,724
Telecommunications			$6,166			$6,166		$6,166
Insurance					$123,067	$123,067		$123,067
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$812,120	$812,120
Unsupported						$260,765		$260,765
Total Amortization						$260,765	$812,120	$1,072,885
Interest on capital debt								
Supported							$266,136	$266,136
Unsupported				$0				$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers								$0
TOTAL EXPENSES	$1,092,513	$647,564	$641,659	$410,684	$270,854	$3,324,038	$1,078,256	$4,402,294
SQUARE METRES								
School Buildings								55,884.3
Non School Buildings								6,430 0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	28.0	10 0						
Contracted Services	7.0	0 0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications.
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1055

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Marian Peers	1.0	$15,792	$709	$0			$16,501	$6,816
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Laurie D'Agnone	1.0	$10,786	$476	$0			$11,262	$4,677
Name	Elaine Erb	1.0	$10,006	$423	$0			$10,429	$2,682
Name	Arnold Frank	1.0	$12,774	$557	$0			$13,331	$4,247
Name	Paulette Heller	1.0	$12,644	$562	$0			$13,206	$5,809
Name	Ryan Herman	1.0	$9,691	$416	$0			$10,107	$3,225
Name	Donna Kirchner	1.0	$9,154	$380	$0			$9,534	$1,943
Name	Marjorie Moncrieff	1.0	$13,704	$615	$0			$14,319	$6,862
Name	David Schauf	1.0	$10,186	$452	$0			$10,638	$4,219
Name	Georgine Westgard	1.0	$11,123	$501	$0			$11,624	$6,217
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*10.0*	*$115,860*	*$5,091*	*$0*			*$120,951*	*$46,698*
Superintendent	Keith Jones	1.0	$115,123	$3,793	$0	$0	$0	$118,915	$9,475
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Patricia Cocks	1.0	$98,509	$14,852	$0	$0	$0	$113,361	$9,563
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		231.2	$16,323,087	$1,881,911	$0	$0	$0	$18,204,998	
Uncertificated Salaries & Wages		164.7	$4,776,804	$819,804	$0	$0	$0	$5,596,608	
TOTALS			$21,429,383	$2,725,450	$0	$0	$0	$24,154,833	

Note: Employed or contracted out Please refer to completion information on page 15

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e. retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code 19

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Red Deer Catholic Regional Division No. 39
Legal Name of School Jurisdiction

5210 - 61 Street, Red Deer Alberta T4N 6N8
Mailing Address

403 - 343 - 1055 403 - 347 - 6410
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Red Deer Catholic Regional Division No. 39 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Gordon Bontje	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Mr. Don Dolan	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Mr. Richard Dornstauder	**"ORIGINAL SIGNED"**
Name	**Signature**

30-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

MNP
MEYERS NORRIS PENNY LLP

To the Board of Trustees
Red Deer Catholic Regional Division No. 39

AUDITORS' REPORT

We have audited the statement of financial position of the Red Deer Catholic Regional Division No. 39 as at August 31, 2004 and the statement of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004, and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Meyers Norris Penny LLP
Chartered Accountants

Red Deer, Alberta
November 18, 2004

School Jurisdiction Code: 19

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$1,259,776	$1,521,674
Accounts receivable (net after allowances)		$4,114,218	$2,916,030
Prepaid expenses		$687,278	$929,584
Other current assets		$23,821	$19,870
Total current assets		$6,085,093	$5,387,158
School generated assets		$563,494	$494,998
Trust assets		$298,475	$239,534
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$361,489	$379,576
Buildings	$75,443,682		
Less: accumulated amortization	($20,115,801)	$55,327,881	$52,208,431
Equipment	$7,347,313		
Less: accumulated amortization	($5,348,811)	$1,998,502	$1,820,001
Vehicles	$1,115,461		
Less: accumulated amortization	($1,000,713)	$114,748	$154,250
Total capital assets		$57,802,620	$54,562,258
TOTAL ASSETS		$64,749,682	$60,683,948
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,651,571	$2,100,406
Deferred revenue		$259,518	$547,374
Deferred capital allocations		$758,087	$504,024
Current portion of all long term debt		$826,622	$838,908
Total current liabilities		$3,495,798	$3,990,712
School generated liabilities		$563,494	$494,998
Trust liabilities		$298,475	$239,534
Employee future benefits liability		$222,098	$93,175
Long term debt			
Supported: Debentures and other supported debt		$4,924,806	$5,708,944
Less: Current portion of supported debt		($767,514)	($784,137)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$432,699	$487,471
Mortgages		$0	$0
Less: Current portion of unsupported debt		($59,108)	($54,771)
Unamortized capital allocations		$49,871,843	$45,879,867
Total long term liabilities		$55,486,793	$52,065,081
TOTAL LIABILITIES		$58,982,591	$56,055,793
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$1,876,340	$993,686
Accumulated Operating Surplus (Deficit)		$1,876,340	$993,686
Investment in capital assets		$2,573,265	$2,485,975
Capital Reserves		$1,317,486	$1,148,494
Total Capital Funds		$3,890,751	$3,634,469
Total net assets		$5,767,091	$4,628,155
TOTAL LIABILITIES AND NET ASSETS		$64,749,682	$60,683,948

Note: input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 19

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$35,152,356	$33,070,008	$31,146,467
Alberta Infrastructure	$4,421,714	$3,744,000	$3,808,591
Alberta Finance	$562,245	$600,960	$648,487
Other Government of Alberta	$194,067	$159,000	$19,284
Federal Government and/or First Nations	$41,726	$0	$105,631
Other Alberta school authorities	$186,491	$35,000	$96,872
Out of province authorities	$0	$0	$0
Alberta Municipalities	($1,903)	$0	$0
Instruction resource fees	$511,296	$418,100	$358,993
Transportation fees	$30,115	$0	$11,898
Other sales and services	$343,440	$56,000	$308,667
Investment income	$68,970	$30,000	$90,830
Gifts and donations	$0	$51,500	$0
Rentals of facilities	$16,854	$36,975	$11,347
Net school generated funds	$288,729	$0	$143,523
Gains on disposal of capital assets	$4,453	$0	$0
Amortization of capital allocations	$2,115,288	$1,822,836	$1,897,058
Total Revenues	$43,935,841	$40,024,379	$38,647,648
EXPENSES			
Certificated salaries	$20,527,410	$19,847,955	$18,117,591
Certificated benefits	$2,567,443	$2,443,285	$2,468,131
Uncertificated salaries and wages	$6,073,707	$5,666,576	$5,602,090
Uncertificated benefits	$1,271,895	$1,315,029	$1,111,313
Services, contracts and supplies	$9,063,957	$8,080,367	$7,966,357
Net school generated funds	$288,729	$0	$143,523
Capital and debt services			
Amortization of capital assets			
Supported	$2,115,288	$1,822,836	$1,887,812
Unsupported	$288,846	$333,795	$312,222
Total Amortization of capital assets	$2,404,134	$2,156,631	$2,200,034
Interest on capital debt			
Supported	$562,245	$600,960	$648,487
Unsupported	$36,158	$39,385	$40,266
Total Interest on capital debt	$598,403	$640,345	$688,753
Other interest charges	$1,227	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$42,796,905	$40,150,188	$38,297,792
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$1,138,936	($125,809)	$349,856
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,138,936	($125,809)	$349,856

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 19

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,138,936	$349,856
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,115,288)	($1,897,058)
Total amortization expense	$2,404,134	$2,200,034
Gains on disposal of capital assets	($4,453)	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($1,198,188)	($721,046)
Prepaids and other current assets	$238,355	($275,295)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($448,835)	$546,108
Deferred revenue	($287,856)	($362,834)
Employee future benefits	$128,923	($40,791)
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($144,272)	($201,026)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($5,114,201)	($7,708,107)
Equipment	($507,074)	($614,530)
Vehicles	($25,764)	($67,403)
Net proceeds from disposal of capital assets	$6,996	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($5,640,043)	($8,390,040)
C. FINANCING ACTIVITIES		
Capital allocations received	$5,577,190	$1,731,765
Issue of long term debt	$0	$0
Repayment of long term debt	($838,910)	($875,687)
Add back: supported portion	$784,137	$824,934
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$5,522,417	$1,681,012
Net sources (uses) of cash equivalents* during year	($261,898)	($6,910,054)
Cash Equivalents at the beginning of the year	$1,521,674	$8,431,728
Cash Equivalents at the end of the year	$1,259,776	$1,521,674

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$4,628,155	$2,485,975	$0	$2,142,180	$601,141	$387,098	$197,300	$276,643	$104,257	$34,402	$90,988	$450,351	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$4,628,155	$2,485,975	$0	$2,142,180	$601,141	$387,098	$197,300	$276,643	$104,257	$34,402	$90,988	$450,351	$0	$0
Surplus(def) of revenue over expenses	$1,138,936		$1,138,936											
Board funded capital transactions		$323,912	$0	($323,912)	$0	($127,971)	$0	($151,900)	$0	($18,277)	$0	($25,764)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,404,134)	$2,404,134											
Amortization of capital allocations		$2,115,288	($2,115,288)											
Disposal of unsupported capital assets	$0	($2,547)	$0	$2,547		$0		$2,547		$0		$0		$0
Disposal of supported capital assets unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$54,771	($54,771)											
Net transfers to operating reserves			($882,654)	$882,654	$699,977		$142,700		$28,078		$11,899		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($490,357)	$490,357		$1,408		$347,017		$47,343		$94,589		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$5,767,091	$2,573,265	$0	$3,193,826	$1,301,118	$260,535	$340,000	$474,307	$132,335	$63,468	$102,887	$519,176	$0	$0

School Jurisdiction Code: 19

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$504,024	$45,879,867
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$5,674,927	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		($97,737)	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$784,137
Expended capital allocations - current year		($5,323,127)	$5,323,127
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,115,288
Balance at August 31, 2004		$758,087	$49,871,843

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. These financial statements have, in management's opinion, been properly prepared with reasonable limits of materiality and within the framework of the significant accounting policies summarized as follows:

Revenue recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they are related.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital contributions from the province or other agencies are recorded as deferred capital allocations. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital Assets

Capital assets are recorded at cost. Amortization is provided using methods and rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	straight-line	2.5 to 4%
Automotive	straight-line	10 and 20%
Equipment	straight-line	10 and 20%

Only assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School generated funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (i.e. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

Pension costs included in these financial statements comprise the cost of employer contributions for the current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, the Red Deer Regional School Division #39 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $63,456 (2003 - $52,742) for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2003 - deficiency of $444,980,000).

Inventories

Inventories are recorded at the lesser of cost and net realizable value.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee future benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2004, the recorded obligation is $222,098 (2003 - $93,175). The total expense recorded in the financial statements is $9,998 (2003 - $7,395).

Investments

Investments are recorded at the lower of cost and market value.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. Accounts receivable

	2004	*2003*
Province of Alberta	**2,851,855**	1,671,456
Federal Government	**206,583**	355,524
Alberta Municipalities	**776,497**	670,774
Other	**279,282**	218,276
	4,114,217	2,916,030

4. Bank indebtedness

The School Division has negotiated a line of credit in the amount of $2,000,000 (2003 - $2,000,000) that bears interest at the bank prime rate less 0.6%. The line of credit, which is secured by a borrowing resolution incorporating a first charge over all monies becoming due or payable to the borrower, including municipal levies, covers all revenue of the School Division. There was no balance outstanding on the line of credit at August 31, 2004 (2003 - $0).

5. Accounts payable and accruals

	2004	*2003*
Province of Alberta	**1,066,055**	976,180
Alberta Municipalities	**6,997**	88,949
Other trade payable and accrued liabilities	**578,519**	1,035,277
	1,651,571	2,100,406

6. Deferred revenue

	2004	*2003*
One-time operations and maintenance support	-	255,391
2003 Budget one-time grant for transportation	-	24,800
Other	**259,518**	267,183
	259,518	547,374

7. Long-term debt

	2004	*2003*
The Division has issued the following debentures to the Alberta Municipal Finance Corporation to finance the construction of school buildings having a carrying value of $11,821,735 (2003 - $12,528,901). Interest rates range from 7.625% to 12%.	**4,924,806**	5,708,944
Less: current portion	**767,514**	784,137
	4,157,292	4,924,807

Principal repayments on long-term debt in each of the next five years are estimated as follows:

2005	767,514
2006	762,395
2007	730,091
2008	654,091
2009	586,316

8. Capital lease obligations

	2004	*2003*
Capital lease bearing interest at the Scotia Leasing Five Year Base Rate (currently 6.39%) plus 1.25% payable in monthly installments of $7,511 including interest, secured by equipment having a carrying value of $528,064 (2003 - $553,210), due August 2010.	**432,699**	487,471
Less: current portion	**59,108**	54,771
	373,591	432,700

Minimum lease payments related to the obligation under capital lease are as follows:

2005	90,137
2006	90,137
2007	90,137
2008	90,137
2009	90,137
	450,685
Thereafter, to 2010	90,137
	540,822
Less: imputed interest	(108,123)
	432,699
	432,699

9. Deferred capital allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at this time that the balance is transferred to the unamortized capital allocations account.

10. Unamortized capital allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. Lease commitments

The School Division has entered into various lease agreements with estimated minimum annual payments as follows:

2005	287,643
2006	195,775
2007	183,241
2008	120,572

12. Other commitments

The School Division entered into an agreement with Destination Conservation Ltd. whereby the division must pay $12,000 ($1,000 per school) for the delivery of the Destination Conservation Program. This agreement expired on September 17, 2002. On September 17, 2002, the School Division entered into a new agreement with Destination Conservation Ltd. whereby the division must pay $8,400 ($700 per school) for the delivery of the new Destination Conservation Program annually for 6 years.

13. Economic dependence

The School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

14. Financial instruments

The School Division, as part of its operations, has a number of financial instruments. It is management's opinion that the School Division is not exposed to significant currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The School Board has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustee Act.

Fair value disclosure

The carrying amount of accounts receivable, accounts payable and accrued liabilities approximates their fair value due to the short-term maturities of these items.

The carrying value of the School Division's capital lease obligations approximates its fair value, because interest charges under the terms of the lease are based upon current Scotia Lease lending rates.

The fair value of the School Division's long-term financial instruments is estimated using discounted cash flow analysis based on current market rates for such instruments with similar terms and risks. Based on these assumptions, the fair values as at November 18, 2004 of these long-term financial instruments are as follows:

	2004	
	Carrying Amount	*Fair Value*
Long-term debt	$4,924,806	$6,688,397

Fair values are based on management's best estimates after consideration of current market conditions. The estimates are subjective and involve considerable judgement, and as such are not necessarily indicative of the amounts that the School Division may incur in actual market transactions.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the School Division manages exposure through its normal operating and financing activities. The School Division is exposed to interest rate risk primarily through its long-term debt of $4,924,806 and its capital lease obligations of $432,699.

15. Budget amounts

The budget was prepared by the School Division and approved by the Board of trustees. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin	External Services
Alberta Learning allocations									
(1) Instruction block	$29,307,087	$1,816,628	$27,490,459						
(2) Support block	$3,455,809				$1,949,085			$1,506,724	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$609,600	$0	$609,600						
(5) Student Health Initiative (SHI)	$82,349	$0	$82,349						$0
(6) Supernet Access	$17,805		$17,805					$0	
(7) Teacher Salary Enhancement (TSE)	$1,065,000	$0	$1,046,887					$18,113	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$614,706	$0	$543,826	$0	$0			$0	$70,880
(11) **Total Alberta Learning Revenue**	$35,152,356	$1,816,628	$29,790,926	$0	$1,949,085			$1,524,837	$70,880
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$731,131			$731,131					
(13) Operations & Maintenance support	$3,690,583			$3,690,583					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$4,421,714			$4,421,714					
(16) **Alberta Finance**	$562,245			$562,245					$0
(17) **Other - Government of Alberta**	$194,067	$0	$0	$0	$0			$0	$194,067
(18) **Federal Government and/or First Nations**	$41,726	$0	$41,726	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$186,491	$0	$135,181	$0	$0			$0	$51,310
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	($1,903)	$0	($1,903)	$0	$0			$0	$0
(22) **Instruction resource fees**	$511,296	$39,320	$471,976						
(23) **Transportation fees**	$30,115				$30,115				
(24) **Other sales and services**	$343,440	$0	$135,866	$43,802	$91,962			$61,436	$10,374
(25) **Investment income**	$68,970	$0	$0	$68,970	$0			$0	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$16,854		$16,854	$0	$0			$0	$0
(28) **Net school generated funds**	$288,729	$0	$288,729	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$4,453		$0	$4,453	$0			$0	$0
(30) **Amortization of capital allocations**	$2,115,288		$176,968	$1,938,320	$0				$0
(31) **TOTAL REVENUES**	$43,935,841	$1,855,948	$31,056,323	$7,039,504	$2,071,162			$1,586,273	$326,631
EXPENSES									
(32) **Certificated salaries**	$20,527,410	$816,429	$19,429,083				$281,898	$281,898	$0
(33) **Certificated benefits**	$2,567,443	$126,672	$2,417,874				$22,897	$22,897	$0
(34) **Uncertificated salaries and wages**	$6,073,707	$390,667	$3,564,569	$661,652	$769,676	$83,933	$517,811	$601,744	$85,390
(35) **Uncertificated benefits**	$1,271,895	$82,750	$841,027	$133,018	$69,787	$27,010	$100,437	$127,447	$17,866
(36) **SUB - TOTAL**	$30,440,455	$1,416,518	$26,252,553	$794,670	$839,463	$110,943	$923,043	$1,033,986	$103,265
(37) **Services, contracts & supplies**	$9,063,957	$183,676	$3,802,817	$3,192,021	$1,185,211	$189,861	$287,005	$476,866	$223,366
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$288,729	$0	$288,729	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,115,288	$0	$176,968	$1,938,320	$0		$0	$0	$0
(41) Unsupported	$288,846	$0	$103,642	$103,272	$34,589	$0	$47,343	$47,343	$0
(42) Total Amortization	$2,404,134	$0	$280,610	$2,041,592	$34,589	$0	$47,343	$47,343	$0
Interest on capital debt									
(43) Supported	$562,245	$0	$0	$562,245	$0		$0	$0	$0
(44) Unsupported	$36,158	$0	$0	$36,158	$0	$0	$0	$0	$0
(45) Other interest charges	$1,227	$0	$0	$1,227	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$42,796,905	$1,600,194	$30,624,709	$6,627,913	$2,059,263	$300,804	$1,257,391	$1,558,195	$326,631
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$1,138,936	$255,754	$431,614	$411,591	$11,899			$28,078	$0

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$14,229,652	$2,428,797	$0	$1,336,834	$643,266	$732,620	$57,914	$19,429,083
Certificated benefits	$1,740,440	$248,074	$0	$170,216	$135,509	$109,471	$14,164	$2,417,874
Uncertificated salaries and wages	$325,590	$1,461,557	$0	$381,743	$1,312,732	$82,947	$0	$3,564,569
Uncertificated benefits	$70,921	$343,686	$0	$90,278	$310,448	$25,694	$0	$841,027
SUB - TOTAL REMUNERATION	$16,366,603	$4,482,114	$0	$1,979,071	$2,401,955	$950,732	$72,078	$26,252,553
Services, contracts & supplies	$2,938,563	$464,667	$0	$61,673	$261,081	$66,562	$10,271	$3,802,817
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$288,729							$288,729
Amortization of capital assets								
Supported	$176,968	$0	$0					$176,968
Unsupported	$103,642	$0	$0					$103,642
Total Amortization	$280,610	$0	$0					$280,610
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$19,874,505	$4,946,781	$0	$2,040,744	$2,663,036	$1,017,294	$82,349	$30,624,709
FTE Certificated				26.4	11.4			
FTE Uncertificated				10.9	60.8			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$23,037,994	$2,113,997	$793,421	$0	$25,945,412	$20,306,461	$5,638,951
School Admin & Instruction Support Expenses						$4,946,781	($4,946,781)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$23,037,994	$2,113,997	$793,421	$0	$25,945,412	$25,253,242	$692,170
Sub-Programs & Initiatives							
Severely Disabled	$3,306,692	$0	$0		$3,306,692	$2,663,036	$643,656
English as a Second Language	$47,104				$47,104	$104,081	($56,977)
Enhanced Opportunities	$41,820				$41,820	$42,230	($410)
First Nations, Metis, and Inuit Education	$51,238		$0		$51,238	$51,238	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$9,978				$9,978		$9,978
Growth & Density	$334,024				$334,024		$334,024
Teacher Assistants Program	$108,409				$108,409	$108,409	$0
Early Literacy Initiative (K-2)	$198,448				$198,448	$239,726	($41,278)
Learning Resources Credit & Resources for the Classroom	$50,846	$186,470	$471,976		$709,292	$1,311,163	($601,871)
Technology Integration	$223,872		$0		$223,872	$771,550	($547,678)
French Language Program & Francisation (all jurisdictions)	$80,034		$0		$80,034	$80,034	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$4,452,465		$471,976		$5,110,911	$5,371,467	($260,556)
INSTRUCTION, GRADES 1-12	$27,490,459	$2,300,467	$1,265,397	$0	$31,056,323	$30,624,709	$431,614

School Jurisdiction Code: 19

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$29,083,215
Support Block - Transportation	$1,949,085
SUBTOTAL	$31,032,300

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,690,583
Teacher Salary Enhancement	$1,065,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$194,067
Federal government/First Nations	$41,726
Other Alberta school authorities	$186,491
Out of province local authorities	$0
Alberta municipalities	-$1,903
Other sales and services	$343,440
Interest on investments	$68,970
Rentals of facilities	$16,854
Gains on disposal of capital assets	$4,453
Amortization of capital allocations	$2,115,288
School generated funds (Schedule E)	$1,236,980
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$39,994,249**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.43%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,771,745
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,771,745**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,558,195
PLUS: transfers to Restricted - Operating (Board/System Administration)	$28,078
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,586,273
Maximum Expense Limit for Board & System Administration (Step 3)	$1,771,745
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$185,472

School Jurisdiction Code: 19

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$494,998
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,236,980	
Less: SGF - related cost recoveries (Note 3)	$947,715	
- capitalized at the District level (Note 4)	$0	
Net Total	$289,265	
Plus: Donations Received (Note 5)	$67,960	
Equals: Net Additions to SGF		$357,225
Net SGF Available for discretionary spending		$852,223
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$288,729
Unexpended SGF - Closing Balance August 31, 2004		$563,494

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 19

SCHEDULE F to the AFS

Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$497,812	$0	$0	$163,840	$661,652		$661,652
Uncertificated benefits	$0	$107,873	$0	$0	$25,145	$133,018		$133,018
Sub-total Remuneration	$0	$605,685	$0	$0	$188,985	$794,670		$794,670
Contracted Services	$874,227	$382,213	$17,009	$731,891	$0	$2,005,340		$2,005,340
Supplies	$0	$257,091	$0	$0	$0	$257,091		$257,091
Electricity			$552,222			$552,222		$552,222
Natural Gas/Heating Fuel			$260,340			$260,340		$260,340
Sewer and Water			$47,184			$47,184		$47,184
Telecommunications			$13,932			$13,932		$13,932
Insurance					$55,912	$55,912		$55,912
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,938,320	$1,938,320
Unsupported						$103,272		$103,272
Total Amortization						$103,272	$1,938,320	$2,041,592
Interest on capital debt								
Supported							$562,245	$562,245
Unsupported				$0		$36,158		$36,158
Other interest charges						$1,227		$1,227
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$874,227	$1,244,989	$890,687	$731,891	$244,897	$4,127,348	$2,500,565	$6,627,913
SQUARE METRES								
School Buildings								61,353.0
Non School Buildings								3,395.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial: All expenses related to activities undertaken to keep the school environment clean and safe

Maintenance: All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components

Utilities & Telecommunications: All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications

Expensed IMP & Portable Relocations: All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations

Facility Planning & Operations Maintenance: All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations

Supported Capital & Debt Services: All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 19

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr Gord Bontje	1.0	$11,718	$4,149	$0			$15,867	$1,377
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Mr Lloyd Baumgarten	1.0	$15,508	$3,997	$0			$19,505	$4,813
Name	Mrs Elaine Halter	1.0	$12,650	$4,290	$0			$16,940	$2,081
Name	Mrs Bev Heisler	1.0	$12,598	$4,275	$0			$16,873	$4,050
Name	Mr Liam McNiff	1.0	$10,258	$3,073	$0			$13,331	$1,748
Name	Mr Steve Taylor	1.0	$11,433	$3,116	$0			$14,549	$4,054
Name	Mrs Debby Whitecotton	1.0	$9,768	$4,110	$0			$13,878	$388
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$83,933*	*$27,010*	*$0*			*$110,943*	*$18,511*
Superintendent	Mr Don Dolan	1.0	$134,288	$9,906	$0	$0	$0	$144,194	$14,198
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Mr Richard Dornstauder	1.0	$116,735	$17,125	$0	$0	$28,123	$161,983	$7,613
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		312.4	$20,393,122	$2,557,537	$0	$0	$0	$22,950,659	
Uncertificated Salaries & Wages		382.0	$5,873,039	$1,199,637	$0	$0	$0	$7,072,676	
TOTALS			$26,601,116	$3,811,215	$0	$0	$28,123	$30,440,454	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code: 3070

AUDITED FINANCIAL STATEMENTS

and Supporting Schedules

FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Red Deer Public School District No. 104
Legal Name of School Jurisdiction

4747 53rd Street, Red Deer, Alberta T4N 2E6
Mailing Address

403-343-1405 (ph) 403-347-8190 (f)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Red Deer Public School District No. 104 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Dr. B. Stuebing	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Mr. D. Falk	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Mrs. D. Beck	"ORIGINAL SIGNED"
Name	Signature

24-Nov-04
Board-approved Release Date

c.c. ALBERTA LEARNING, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Collins Barrow
Chartered Accountants & Consultants

COLLINS BARROW RED DEER LLP
300, 5010 - 43 Street
Red Deer, Alberta, Canada
T4N 6H2

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email: reddeer@collinsbarrow.com

AUDITORS' REPORT

To the Board of Trustees of
Red Deer Public School District No. 104

We have audited the statement of financial position of the Red Deer Public School District No. 104 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Collins Barrow
Red Deer LLP

Red Deer, Alberta
November 10, 2004

Chartered Accountants

mri
A member of
Moores Rowland International
an association of independent
accounting firms throughout
the world

School Jurisdiction Code: 3070

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 restated
ASSETS			
Current assets			
Cash and temporary investments		$14,039,591	$27,708,577
Accounts receivable (net after allowances)		$3,445,722	$3,477,575
Prepaid expenses		$234,935	$224,956
Other current assets		$252,039	$271,188
Total current assets		$17,972,287	$31,682,306
School generated assets		$1,407,508	$1,220,051
Trust assets		$426,617	$347,570
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,416,015	$1,416,015
Buildings	$92,129,664		
Less: accumulated amortization	($34,336,231)	$57,793,433	$43,199,179
Equipment	$9,204,331		
Less: accumulated amortization	($7,294,625)	$1,909,706	$2,033,117
Vehicles	$1,271,716		
Less: accumulated amortization	($835,678)	$436,038	$416,330
Total capital assets		$61,555,192	$47,064,641
TOTAL ASSETS		$81,361,604	$80,314,568
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$5,457,389	$4,587,864
Deferred revenue		$1,115,290	$1,228,170
Deferred capital allocations		$5,490,732	$22,138,632
Current portion of all long term debt		$2,176,186	$2,176,186
Total current liabilities		$14,239,597	$30,130,652
School generated liabilities		$1,407,508	$1,220,051
Trust liabilities		$426,617	$347,570
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$16,237,282	$18,413,468
Less: Current portion of supported debt		($2,176,186)	($2,176,186)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$40,032,310	$22,925,020
Total long term liabilities		$55,927,531	$40,729,923
TOTAL LIABILITIES		$70,167,128	$70,860,775
NET ASSETS			
Unrestricted net assets		$598,107	$523,713
Operating Reserves		$5,087,170	$3,111,629
Accumulated Operating Surplus (Deficit)		$5,665,277	$3,635,342
Investment in capital assets		$5,285,598	$5,726,151
Capital Reserves		$243,600	$92,300
Total Capital Funds		$5,529,198	$5,818,451
Total net assets		$11,194,476	$9,453,793
TOTAL LIABILITIES AND NET ASSETS		$81,361,604	$80,314,568

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 3070

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$56,802,999	$55,103,600	$54,368,169
Alberta Infrastructure	$7,066,415	$6,257,036	$6,375,861
Alberta Finance	$1,621,725	$1,741,848	$1,830,775
Other Government of Alberta	$705,137	$529,822	$462,376
Federal Government and/or First Nations	$0	$96,900	$2,609
Other Alberta school authorities	$121,396	$48,696	$127,613
Out of province authorities	$0	$0	$0
Alberta Municipalities	$43,052	$0	$24,677
Instruction resource fees	$956,568	$1,187,000	$1,031,373
Transportation fees	$192,757	$0	$293,808
Other sales and services	$872,111	$854,100	$1,065,944
Investment income	$171,532	$437,335	$256,548
Gifts and donations	$86,621	$10,000	$73,872
Rentals of facilities	$70,410	$16,450	$70,262
Net school generated funds	$121,528	$200,000	$154,180
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$2,651,444	$3,011,313	$2,380,460
Total Revenues	$71,483,697	$69,504,100	$68,518,527
EXPENSES			
Certificated salaries	$35,088,188	$34,549,766	$35,075,452
Certificated benefits	$5,019,910	$4,590,747	$4,831,801
Uncertificated salaries and wages	$11,034,411	$9,953,161	$10,738,576
Uncertificated benefits	$1,750,219	$1,550,188	$1,533,294
Services, contracts and supplies	$11,868,474	$13,227,240	$11,950,637
Net school generated funds	$121,528	$200,000	$154,180
Capital and debt services			
Amortization of capital assets			
Supported	$2,651,444	$3,011,313	$2,380,460
Unsupported	$579,901	$679,837	$694,466
Total Amortization of capital assets	$3,231,345	$3,691,150	$3,074,926
Interest on capital debt			
Supported	$1,621,725	$1,741,848	$1,830,775
Unsupported	$0	$0	$0
Total Interest on capital debt	$1,621,725	$1,741,848	$1,830,775
Other interest charges	$7,214	$0	$7,652
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$69,743,014	$69,504,100	$69,197,293
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$1,740,683	$0	($678,766)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,740,683	$0	($678,766)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 3070

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,740,683	($678,766)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($2,651,444)	($2,380,460)
Total amortization expense	$3,231,345	$3,074,926
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	$31,853	$285,662
Prepaids and other current assets	$9,180	$34,711
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$869,525	$1,644,542
Deferred revenue	($112,880)	($403,038)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$3,118,262	$1,577,577
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($17,013,848)	($6,149,847)
Equipment	($617,597)	($539,849)
Vehicles	($90,451)	($49,863)
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from investing activities	($17,721,896)	($6,739,559)
C. FINANCING ACTIVITIES		
Capital allocations received	$934,648	$3,066,917
Issue of long term debt	$0	$0
Repayment of long term debt	($2,176,186)	($2,185,186)
Add back: supported portion	$2,176,186	$2,185,186
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$934,648	$3,066,917
Net sources (uses) of cash equivalents* during year	($13,668,987)	($2,095,065)
Cash Equivalents at the beginning of the year	$27,708,577	$29,803,642
Cash Equivalents at the end of the year	$14,039,591	$27,708,577

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.
Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

Collins Barrow
Chartered Accountants & Consultants

School Jurisdiction Code: 3070

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$9,453,703	$5,728,151	$523,713	$3,203,929	$1,522,584	$0	$101,891	$24,600	$705,430	$5,700	$601,724	$62,000	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$9,453,703	$5,728,151	$523,713	$3,203,929	$1,522,584	$0	$101,891	$24,600	$705,430	$5,700	$601,724	$62,000	$0	$0
Surplus(def) of revenue over expenses	$1,740,883		$1,740,883											
Board funded capital transactions		$130,348	($130,348)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($3,231,345)	$3,231,345											
Amortization of capital allocations		$2,651,444	($2,651,444)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,955,541)	$1,955,541	$1,031,307		$503,471		$370,307		$144,300		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			($151,300)	$151,300		$0		$24,850		$6,450		$120,000		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$11,194,470	$5,285,508	$598,107	$5,310,770	$2,553,881	$0	$805,302	$49,450	$1,071,737	$12,150	$746,000	$182,000	$0	$0

School Jurisdiction Code: 3070

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$22,138,632	$22,925,020
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$306,258	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$2,500	
Interest earned on provincial government capital allocations		$625,890	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$2,176,186
Expended capital allocations - current year		($17,582,548)	$17,582,548
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$2,651,444
Balance at August 31, 2004		$5,490,732	$40,032,310

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2004

1. AUTHORITY AND PURPOSE

The Red Deer Public School District No. 104 delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between instruction and support blocks.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. These accounting principles and policies require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

The accounting policies used in these financial statements are as follows:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they are related.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations represent externally restricted supported capital funds and are recorded as deferred capital allocations until the amount is invested in capital assets. Amounts invested in capital assets are then transferred to unamortized capital allocations. Unamortized capital allocations are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded. The related portion of amortization expense and the deferred capital contribution revenues are matched to indicate that the related amortization expense has been funded.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds to be retained as net assets are recorded as direct increases to trust assets and liabilities.

Cash and Cash Equivalents

The jurisdiction reports its cash and cash equivalents to include cash and temporary investments, net of any bank indebtedness.

Temporary Investments

Temporary investments are stated at cost.

Inventories (Included in other current assets)

Inventories are valued at the lower of cost and net realizable value. Cost is defined as average cost.

RED DEER PUBLIC SCHOOL DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2004

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School District. These are funds in the community, which come under the control and responsibility of the school principals and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level. Sources and application of school generated funds are reported in Schedule E of the financial statements.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only costs in excess of $5,000 are capitalized. No amortization is taken in the year of acquisition.

Vacation Pay

Vacation pay is recorded in the period in which the employee earns the benefit.

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Contributed Services

Volunteers assist schools operated by the School District in carrying out certain activities. Because of the difficulty in determining fair value and the fact such assistance is not otherwise purchased, contributed services are not recognized in the financial statements.

Pensions

Pension costs included in these statements comprise the cost of the employer contributions for current service employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Red Deer Public School District No. 104 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $643,528 (2003 - $523,146) for the year ended August 31, 2004.

At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

Financial Instruments

The jurisdiction's financial instruments consist of cash and temporary investments, account receivables, accounts payable and accrued liabilities and long-term debt.

The fair value of these financial instruments approximates their carrying values.

It is management's opinion that the jurisdiction is not exposed to significant price, credit, liquidity or cash flow risks arising from these financial instruments except as follows:

The school jurisdiction is exposed to credit risk as it grants credit to its customers/parents in the normal course of business. To mitigate this risk the jurisdiction regularly reviews its accounts receivable list. Credit risk is the risk that the jurisdiction will incur a financial loss because a customer/parent has failed to discharge an obligation.

The school jurisdiction is exposed to interest rate price risk as the long-term debt bears interest at fixed rates. This risk is mitigated as the long-term debt is fully supported by Alberta Finance. Interest rate price risk is the risk that the value of the long-term debt will fluctuate due to changes in market interest rates.

The school jurisdiction is also exposed to interest rate price risk as the temporary investments bear interest at fixed rates. The risk is mitigated as the jurisdiction has only invested surplus funds in short-term guaranteed investment certificates, in accordance with the School Act.

3. TEMPORARY INVESTMENTS

The investments consist of guaranteed investment certificates bearing interest at rates ranging from 2.25% to 4.25% with maturity dates ranging from September 7, 2004 to September 7, 2005.

4. ACCOUNTS RECEIVABLE

	2004	2003
Province of Alberta	$ 2,501,726	$ 2,174,971
Federal Government	538,394	359,917
Alberta Municipalities	-	44,339
Other Alberta School Jurisdictions	62,608	30,418
Other	342,994	867,930
	$ 3,445,722	$ 3,477,575

RED DEER PUBLIC SCHOOL DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2004

5. TRUST ASSETS

	2004	2003
Deferred salary leave plan	$ 393,787	$ 303,383
Deferred salary retirement plan	32,830	44,187
	$ 426,617	$ 347,570

6. CAPITAL ASSETS

Included in buildings are costs of $18,532,243 (2003 - $2,022,532) pertaining to the construction of the Lindsay Thurber Composite High School Modernization Project which is not being amortized in accordance with the jurisdiction's accounting policy for capital assets. Amortization of the building will commence upon its completion.

7. BANK INDEBTEDNESS

The School District maintains a revolving credit facility with an authorized limit of $4,000,000 bearing interest at prime less 1/2% (prime is currently 4.25%). Collateral is provided by a general assignment of book debts. There was no balance outstanding on the revolving credit facility at August 31, 2004.

8. ACCOUNTS PAYABLE

	2004	2003
Province of Alberta	$ 1,042,837	$ 597,926
Federal Government	18,530	831,685
Alberta Municipalities	4,852	425
Other Alberta School Jurisdictions	-	14,736
Other trade payables and accrued liabilities	4,391,170	3,143,092
	$ 5,457,389	$ 4,587,864

9. DEFERRED REVENUE

	2004	2003
One-time grant funding	$ -	$ 476,403
External programs	585,816	394,503
Other	529,474	357,264
	$ 1,115,290	$ 1,228,170

The one-time grant funding was recorded as revenue in the current year, in accordance with guidance from Alberta Learning.

RED DEER PUBLIC SCHOOL DISTRICT NO. 104
NOTES TO THE FINANCIAL STATEMENTS
August 31, 2004

10. LONG-TERM DEBT

	2004	2003
Supported debentures with initial term of 20 years maturing 2005 to 2015, with interest rates varying between 7 1/2% and 12% repayable in annual instalments of principal and interest. The debenture debt is fully supported by Alberta Finance.	$ 16,237,282	$ 18,413,468
Less amount due within one year	2,176,186	2,176,186
	$ 14,061,096	$ 16,237,282

The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

Principal repayments estimated for the next five years are as follows:

2005	$ 2,176,186
2006	2,126,089
2007	1,942,774
2008	1,741,349
2009	1,652,231
Subsequent	6,598,653
	$ 16,237,282

11. RESERVES

Reserves represent funds appropriated from accumulated surplus for future capital expenditures and future operating expenses. The reserves are established and expended in accordance with terms and conditions established by the Board of Trustees.

12. ALLOCATIONS FROM PROVINCE OF ALBERTA (Related Third Party Transactions)

	2004 Actual	2004 Budget	2003 Actual
Alberta Learning	$ 56,802,999	$ 55,103,600	$ 54,368,169
Alberta Infrastructure	6,616,212	6,267,036	6,375,861
Alberta Finance	1,621,725	1,741,848	1,830,775
Other Government of Alberta	705,137	529,822	462,376
	$ 65,746,073	$ 63,642,306	$ 63,037,181

13. STATEMENT OF CASH FLOWS

Included in cash flows from operations is $1,749,062 (2003 - $1,961,625) paid for interest and interest on capital debt.

14. CONTINGENCIES

Contingent asset – the jurisdiction is a member of Urban Schools Insurance Consortium. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

15. COMMITMENTS

Lindsay Thurber Composite High School Landfill Mitigation Project

The jurisdiction is committed for the implementation of a gas control proposal and risk management plan at Lindsay Thurber Composite High School. The estimated cost of the project is $400,000 to $500,000. The jurisdiction is also committed under a Red Deer Subdivision and Development Appeal Board decision for the monitoring of landfill gas levels at the school for a minimum of three years. Discussions are occurring with Alberta Infrastructure to provide funding to cover this commitment.

Deferred Capital Allocations

Included in deferred capital allocations at August 31, 2004 was $4,884,143 for the Lindsay Thurber Composite High School Modernization Project, $132,554 for Eastview Middle School upgrades and $474,035 for other capital projects in the district. The jurisdiction is committed to use these externally restricted funds on the capital projects designated when the funds were received.

Leases

The jurisdiction is committed to payments on photocopier leases expiring from December, 2004 to August, 2008. Estimated lease obligation payments for the next four years are as follows:

2005	$	**254,062**
2006		**231,467**
2007		**116,272**
2008		**36,758**
	$	**638,559**

16. SUBSEQUENT EVENT

Subsequent to year-end the jurisdiction was approved for an Alberta Infrastructure grant in the amount of $524,251 for the construction of three site-built core portables at Mattie McCullough Elementary School. The board of trustees approved a tender for construction of the portables on September 8, 2004 with a total estimated project cost of $561,906.

17. ECONOMIC DEPENDENCE

The Red Deer Public School District's primary source of income is from the Alberta Government. The District's ability to continue viable operations is dependent on this funding.

RED DEER PUBLIC SCHOOL DISTRICT NO. 104

NOTES TO THE FINANCIAL STATEMENTS

August 31, 2004

18. BUDGET

The Board of Trustees approved the 2003/2004 budget on June 4, 2003. It is presented for informative purposes only and has not been audited.

19. COMPARATIVE FIGURES

School generated assets and liabilities reported at August 31, 2003 have been restated as follows:

Previously Reported	Change	Restated
$ 1,371,965	($ 151,914)	$ 1,220,051

School generated assets and liabilities were reduced by $151,914 to remove the accumulated surplus from bookstore activities.

20. APPROVAL OF FINANCIAL STATEMENTS

The Board of Trustees approved these financial statements on November 24, 2004.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 3070

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin.	External Services
Alberta Learning allocations									
(1) Instruction block	$48,172,162	$2,203,727	$45,080,425						
(2) Support block	$4,384,810				$2,140,703			$2,235,023	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$1,090,160	$0	$1,090,160						
(5) Student Health Initiative (SHI)	[illegible]	$0	$200,850						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$2,115,000	$20,203	$2,062,770					$23,841	$0
(8) Regional P.D. Consortium (6 boards only)	$103,106								$103,106
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$650,010	$0	$650,010	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$56,807,000	$2,312,010	$48,018,126	$0	$2,140,703			$2,250,064	$103,106
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$780,231			$780,231					
(13) Operations & Maintenance support	$5,835,981			$5,835,981					
(14) Operations & Maintenance support (One-Time)	$450,203			$450,203					
(15) **Total Alberta Infrastructure Revenue**	$7,066,415			$7,066,415					
(16) **Alberta Finance**	$1,021,725			$1,021,725					$0
(17) **Other - Government of Alberta**	$706,137	$0	$110,340	$0	$0			$0	$504,708
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$121,300	$0	$51,300	$0	$0			$0	$70,008
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$43,052	$0	$16,864	$0	$0			$0	$20,188
(22) **Instruction resource fees**	$856,508	$17,487	$839,071						
(23) **Transportation fees**	$102,767				$102,767				
(24) **Other sales and services**	$872,111	$0	$881,383	$0	$0			$0	($10,272)
(25) **Investment income**	$171,532	$0	$164,783	$0	$0			$8,749	$0
(26) **Gifts and donations**	$86,021	$0	$86,021	$0	$0				$0
(27) **Rentals of facilities**	$70,410		$67,584	$0	$0			$2,816	$0
(28) **Net school generated funds**	$121,620	$0	$121,620	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$2,051,444		$0	$2,051,444	$0				$0
(31) **TOTAL REVENUES**	$71,403,607	$2,320,507	$52,380,717	$11,330,684	$2,342,550			$2,260,529	$834,810
EXPENSES									
(32) **Certificated salaries**	$35,008,108	$1,072,023	$33,580,007				$424,031	$424,031	$647
(33) **Certificated benefits**	$5,019,010	$73,070	$4,050,305				$80,720	$80,720	$127
(34) **Uncertificated salaries and wages**	$11,034,411	$412,725	$7,119,311	$2,354,071	$40,200	$70,344	$500,807	$607,151	$441,073
(35) **Uncertificated benefits**	$1,760,210	$20,342	$1,003,700	$407,111	$8,300	$20,025	$108,023	$130,248	$80,432
(36) **SUB - TOTAL**	$52,002,720	$1,507,060	$46,671,380	$2,041,002	$48,000	$104,009	$1,200,701	$1,314,750	$520,270
(37) **Services, contracts & supplies**	$11,060,474	$283,053	$6,130,614	$3,040,576	$1,074,305	$14,030	$630,057	$644,605	$300,531
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$121,620	$0	$0	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$2,051,444	$0	$0	$2,051,444	$0		$0	$0	$0
(41) Unsupported	$579,901	$0	$464,524	[illegible]	$5,210	$0	$29,773	$29,773	$0
(42) Total Amortization	$3,231,345	$0	$464,524	$2,731,030	$5,210	$0	$29,773	$29,773	$0
Interest on capital debt									
(43) Supported	$1,621,725	$0	$0	$1,621,725	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$7,214	$0	$4,210	$0	$0		$3,004	$3,004	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	- $80,743,814	$1,851,521	$52,170,037	$10,830,113	$1,928,184	$118,087	$1,072,016	$1,082,222	$834,810
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$1,740,603	$477,006	$190,080	$503,471	$414,366			$270,307	$0

SCHEDULE B to the AFS

INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$26,042,816	$2,894,779	$0	$2,137,418	$1,512,979	$1,001,995	$0	$33,589,987
Certificated benefits	$3,894,290	$244,118	$0	$298,418	$326,398	$96,161	$0	$4,859,385
Uncertificated salaries and wages	$1,105,002	$0	$2,287,044	$805,709	$2,747,807	$0	$172,749	$7,118,311
Uncertificated benefits	$165,236	$0	$111,412	$112,490	$592,790	$0	$21,778	$1,003,706
SUB - TOTAL REMUNERATION	$31,207,344	$3,138,897	$2,398,456	$3,354,035	$5,179,974	$1,098,156	$194,527	$46,571,389
Services, contracts & supplies	$4,427,409	$0	$0	$446,912	$231,857	$0	$32,336	$5,138,514
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$0							$0
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$464,524	$0	$0					$464,524
Total Amortization	$464,524	$0	$0					$464,524
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$4,210	$0						$4,210
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$36,103,487	$3,138,897	$2,398,456	$3,800,947	$5,411,831	$1,098,156	$226,863	$52,178,637
FTE Certificated				30.2	14.5			
FTE Uncertificated				25.3	107.9			

SCHEDULE C to the AFS

INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$39,699,783	$3,472,782	$1,407,634	$0	$44,580,199	$37,072,643	$7,507,556
School Admin & Instruction Support Expenses						$3,138,897	($3,138,897)
System Instruction Support Expenses						$2,398,456	($2,398,456)
Total Basic Instruction	$39,699,783	$3,472,782	$1,407,634	$0	$44,580,199	$42,609,996	$1,970,203
Sub-Programs & Initiatives							
Severely Disabled	$4,429,275	$313,035	$0		$4,742,310	$5,411,831	($669,521)
English as a Second Language	$52,992				$52,992	$62,671	($9,679)
Enhanced Opportunities	$195,840				$195,840	$195,840	$0
First Nations, Metis, and Inuit Education	$108,294		$102,886		$211,180	$273,866	($62,686)
Institutional Programs	$543,517				$543,517	$543,517	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$177,670				$177,670		$177,670
Teacher Assistants Program	$167,456				$167,456	$167,456	$0
Early Literacy Initiative (K-2)	$309,878				$309,878	$342,743	($32,865)
Learning Resources Credit & Resources for the Classroom	$99,488	$244,884	$939,071		$1,283,443	$2,466,485	($1,183,042)
Technology Integration	$0		$0		$0	$0	$0
French Language Program & Francisation (all jurisdictions)	$104,232		$0		$104,232	$104,232	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$6,188,642		$1,041,957		$7,788,518	$9,568,641	($1,780,123)
INSTRUCTION, GRADES 1-12	$45,888,425	$4,030,701	$2,449,591	$0	$52,368,717	$52,178,637	$190,080

School Jurisdiction Code: 3070

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$48,172,152
Support Block - Transportation	$2,149,793
SUBTOTAL	$50,321,945

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$5,835,981
Teacher Salary Enhancement	$2,115,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$705,137
Federal government/First Nations	$0
Other Alberta school authorities	$121,398
Out of province local authorities	$0
Alberta municipalities	$43,052
Other sales and services	$872,111
Interest on investments	$171,532
Rentals of facilities	$70,410
Gains on disposal of capital assets	$0
Amortization of capital allocations	$2,651,444
School generated funds (Schedule E)	$1,816,707
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	$64,724,717

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	4.00%
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$2,588,989

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		$2,588,989

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,992,222
PLUS: transfers to Restricted - Operating (Board/System Administration)	$276,307
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,268,529
Maximum Expense Limit for Board & System Administration (Step 3)	$2,588,989
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$320,460

Collins Barrow
Chartered Accountants & Consultants

School Jurisdiction Code: 3070

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1) Restated		$1,220,051
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,816,707	
Less: SGF - related cost recoveries (Note 3)	$1,441,475	
- capitalized at the District level (Note 4)	$66,247	
Net Total	$308,985	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$308,985
Net SGF Available for discretionary spending		$1,529,036
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$121,528
Unexpended SGF - Closing Balance August 31, 2004		$1,407,508

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 3070

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,678,906	$513,029	$0	$0	$162,936	$2,354,871		$2,354,871
Uncertificated benefits	$347,286	$106,121	$0	$0	$33,704	$487,111		$487,111
Sub-total Remuneration	$2,026,192	$619,150	$0	$0	$196,640	$2,841,982		$2,841,982
Contracted Services	$0	$0	$0	$0	$0	$0		$0
Supplies	$203,522	$710,677	$57,280	$780,231	$18,601	$1,770,311		$1,770,311
Electricity			$991,860			$991,860		$991,860
Natural Gas/Heating Fuel			$688,855			$688,855		$688,855
Sewer and Water			$93,351			$93,351		$93,351
Telecommunications			$7,563			$7,563		$7,563
Insurance					$88,636	$88,636		$88,636
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$2,651,444	$2,651,444
Unsupported						$80,386		$80,386
Total Amortization						$80,386	$2,651,444	$2,731,830
Interest on capital debt								
Supported							$1,621,725	$1,621,725
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$2,229,714	$1,329,827	$1,838,909	$780,231	$303,877	$6,562,944	$4,273,169	$10,836,113
SQUARE METRES								
School Buildings								105,876.5
Non School Buildings								3,252.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	45.8	11.0						
Contracted Services	1.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications.
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BORP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 3070

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

	FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:								
Name Mrs. C. Jefferies	1.0	$15,887	$4,559	$0			$20,446	$3,250
Name	0.0	$0	$0	$0			$0	$0
Other Board Members:								
Name Mr. J. Wallers	1.0	$11,822	$4,302	$0			$16,124	$3,725
Name Dr. B. Stuebing	1.0	$11,375	$3,786	$0			$15,161	$1,523
Name Mrs. G. Holland	1.0	$10,975	$2,153	$0			$13,128	$2,875
Name Mrs. B. Manning	1.0	$10,489	$4,302	$0			$14,791	$1,034
Name Mrs. D. Kubanek	1.0	$9,577	$4,302	$0			$13,879	$596
Name Mr. D. McKay	1.0	$8,218	$3,221	$0			$11,439	$1,751
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Name	0.0	$0	$0	$0			$0	$0
Subtotal	*7.0*	*$78,343*	*$26,625*	*$0*			*$104,968*	*$14,754*
Superintendent Mr. D. Falk	1.0	$127,266	$8,836	$0	$0	$0	$136,102	$0
Superintendent	0.0		$0	$0	$0	$0	$0	$0
Secretary/Treasurer Mrs. D. Beck	1.0	$105,946	$16,283	$0	$0	$0	$122,229	$0
Secretary/Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries	641.0	$34,960,922	$5,011,074	$0	$0	$0	$39,971,996	
Uncertificated Salaries & Wages	490.0	$10,850,122	$1,707,311	$0	$0	$0	$12,557,433	
TOTALS		$46,122,599	$6,770,129	$0	$0	$0	$52,892,728	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

Collins Barrow
Chartered Accountants & Consultants

School Jurisdiction Code: 1190

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

ROCKY VIEW SCHOOL DIVISION NO. 41

Legal Name of School Jurisdiction

2616 18TH Street NE

Mailing Address

403-250-1504 403-219-6250

Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules ROCKY VIEW SCHOOL DIVISION NO. 41 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Wenona Metzger	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Lyall Thomson	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Darrell Couture	"ORIGINAL SIGNED"
Name	Signature

25-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Deloitte.

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Auditors' Report

To the Board of Trustees of

Rocky View School Division No. 41:

We have audited the statement of financial position of Rocky View School Division No. 41 (the "Jurisdiction") as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Jurisdiction as at August 31, 2004 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Deloitte & Touche LLP

Chartered Accountants

Calgary, Alberta

November 5, 2004

School Jurisdiction Code: 1190

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$18,451,075	$16,016,290
Accounts receivable (net after allowances)		$4,463,626	$2,291,990
Prepaid expenses		$112,651	$93,244
Other current assets		$93,635	$75,781
Total current assets		$23,120,987	$18,477,305
School generated assets		$2,330,486	$2,398,513
Trust assets		$380,391	$343,914
Long term accounts receivable		$11,420	$13,313
Long term investments		$0	$0
Capital assets			
Land		$1,130,972	$1,130,971
Buildings	$167,622,297		
Less: accumulated amortization	($51,867,157)	$115,755,140	$119,495,207
Equipment	$12,628,972		
Less: accumulated amortization	($9,187,169)	$3,441,803	$4,158,334
Vehicles	$607,619		
Less: accumulated amortization	($532,296)	$75,323	$140,772
Total capital assets		$120,403,238	$124,925,284
TOTAL ASSETS		$146,246,522	$146,158,329
LIABILITIES			
Current liabilities			
Bank indebtedness		$347,813	$243,672
Accounts payable and accrued liabilities		$8,171,024	$7,553,162
Deferred revenue		$1,319,777	$2,283,041
Deferred capital allocations		$775,428	($2,077,868)
Current portion of all long term debt		$3,084,223	$3,201,900
Total current liabilities		$13,698,265	$11,203,907
School generated liabilities		$2,330,486	$2,398,513
Trust liabilities		$380,391	$343,914
Employee future benefits liability		$0	$0
Long term debt			
Supported.	Debentures and other supported debt	$20,671,452	$23,951,460
	Less: Current portion of supported debt	($3,082,331)	($3,200,008)
Unsupported:	Debentures and Capital Loans	$13,249	$15,141
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($1,892)	($1,892)
Unamortized capital allocations		$95,049,808	$96,042,957
Total long term liabilities		$115,361,162	$119,550,085
TOTAL LIABILITIES		$129,059,428	$130,753,992
NET ASSETS			
Unrestricted net assets		$114,363	$1,914,367
Operating Reserves		$8,029,623	$6,779,231
Accumulated Operating Surplus (Deficit)		$8,143,986	$8,693,598
Investment in capital assets		$4,668,723	$4,915,719
Capital Reserves		$4,374,385	$1,795,020
Total Capital Funds		$9,043,108	$6,710,739
Total net assets		$17,187,094	$15,404,337
TOTAL LIABILITIES AND NET ASSETS		$146,246,522	$146,158,329

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 1190

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$88,333,122	$83,193,189	$86,440,033
Alberta Infrastructure	$10,672,770	$9,414,660	$9,531,465
Alberta Finance	$2,401,842	$2,403,000	$2,754,457
Other Government of Alberta	$29,892	$0	$45,679
Federal Government and/or First Nations	$619,164	$616,600	$567,088
Other Alberta school authorities	$298,432	$140,000	$255,753
Out of province authorities	$0	$0	$0
Alberta Municipalities	$374,207	$0	$237,163
Instruction resource fees	$1,732,257	$1,389,500	$1,722,798
Transportation fees	$750,161	$650,000	$588,409
Other sales and services	$932,192	$268,600	$704,311
Investment income	$461,793	$199,999	$525,039
Gifts and donations	$0	$0	$0
Rentals of facilities	$411,790	$330,700	$438,304
Net school generated funds	$973,948	$700,000	$764,190
Gains on disposal of capital assets	$0	$0	$2,934
Amortization of capital allocations	$5,611,672	$5,000,000	$3,621,242
Total Revenues	$113,603,242	$104,306,248	$108,198,865
EXPENSES			
Certificated salaries	$52,887,182	$48,327,767	$50,226,305
Certificated benefits	$6,160,395	$5,114,431	$5,665,651
Uncertificated salaries and wages	$15,481,002	$16,363,236	$15,093,244
Uncertificated benefits	$3,300,309	$3,165,761	$3,115,644
Services, contracts and supplies	$24,421,219	$24,084,293	$24,702,973
Net school generated funds	$973,948	$700,000	$764,190
Capital and debt services			
Amortization of capital assets			
Supported	$5,611,672	$5,000,000	$3,676,866
Unsupported	$574,463	$500,000	$568,093
Total Amortization of capital assets	$6,186,135	$5,500,000	$4,244,959
Interest on capital debt			
Supported	$2,401,843	$2,403,000	$2,754,456
Unsupported	$1,476	$1,478	$1,661
Total Interest on capital debt	$2,403,319	$2,404,478	$2,756,117
Other interest charges	$6,976	$20,060	$9,798
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$111,820,485	$105,680,026	$106,578,881
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$1,782,757	($1,373,778)	$1,619,984
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$1,782,757	($1,373,778)	$1,619,984

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1190

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$1,782,757	$1,619,985
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($5,611,672)	($3,621,242)
Total amortization expense	$6,186,135	$4,244,959
Gains on disposal of capital assets	$0	($2,934)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($2,171,636)	($1,214,071)
Prepaids and other current assets	($37,261)	$112,331
Long term accounts receivable	$1,893	
Long term investments	$0	
Payables and accrued liabilities	$617,862	($1,104,381)
Deferred revenue	($963,264)	($2,709,314)
Employee future benefits	$0	$0
Other (describe)	$2	($195,191)
Total sources (uses) of cash from Operations	($195,184)	($2,869,858)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,190,488)	($8,008,778)
Equipment	($782,353)	($845,414)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$2,934
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($1,972,841)	($8,851,258)
C. FINANCING ACTIVITIES		
Capital allocations received	$4,498,669	$1,337,900
Issue of long term debt	$0	$0
Repayment of long term debt	($3,281,900)	($3,534,815)
Add back: supported portion	$3,281,900	$3,534,816
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$4,498,669	$1,337,901
Net sources (uses) of cash equivalents* during year	$2,330,644	($10,383,215)
Cash Equivalents at the beginning of the year	$15,772,618	$26,155,833
Cash Equivalents at the end of the year	$18,103,262	$15,772,618

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1190

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$15,404,337	$4,915,719	$1,914,367	$8,574,251	$5,557,579	$776,386	$78,163	$506,634	$761,788	$512,000	$381,701	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$15,404,337	$4,915,719	$1,914,367	$8,574,251	$5,557,579	$776,386	$78,163	$506,634	$761,788	$512,000	$381,701	$0	$0	$0
Surplus(def) of revenue over expenses	$1,782,757		$1,782,757											
Board funded capital transactions		$327,467	$0	($327,467)	($277,369)	$0	($50,098)	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($6,186,135)	$6,186,135											
Amortization of capital allocations		$5,611,672	($5,611,672)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($2,357,224)	$2,357,224	$1,392,837		$858,991		($4,703)		$110,099		$0	
Net transfers from operating reserves			$779,365	($779,365)			($70,365)		($709,000)		$0		$0	
Net transfers to capital reserves			($2,579,365)	$2,579,365		$0		$70,365		$2,509,000		$0		$0
Net transfers from capital reserves			$0	$0		$0				$0		$0		$0
Balance at August 31, 2004	$17,187,094	$4,668,723	$114,363	$12,404,008	$6,673,047	$776,386	$816,691	$576,999	$48,085	$3,021,000	$491,800	$0	$0	$0

School Jurisdiction Code: 1190

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		($2,077,868)	$96,042,957
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$4,415,516	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$64,653	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$18,500	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$3,281,900
Expended capital allocations - current year		($1,645,373)	$1,645,373
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$308,750
Capital allocations amortized to revenue			$5,611,672
Balance at August 31, 2004		$775,428	$95,049,808

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

b) Capital Assets

Capital Assets are recorded at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following rates:

Buildings	2.5% to 4%
Vehicles & Buses	10% to 20%
Equipment & Furnishings	10% to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds
These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

d) Vacation Pay
Vacation Pay is accrued in the period in which the employee earns the benefit.

e) Pensions
Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Rocky View School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 791,292 for the Year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

f) Inventories
Inventories are recorded at the lesser of cost or net realizable value.

g) Prepaid Expenses
Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Contributed Services
Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

i) Financial Instruments
The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

j) Operating and Capital Reserves
Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k) Employee Future Benefits
The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

l) Investments
Investments are recorded at the lower of cost and market value.

3. ACCOUNTS RECEIVABLES

	2004	2003
Alberta Learning	$760,797	
Alberta Infrastructure	$2,733,855	$897,285
Alberta Finance	0	0
Other Province of Alberta	$15,800	0
Federal Government	$196,902	$238,126
First Nations	0	0
Alberta Municipalities	0	0
Other Alberta School Jurisdictions	$298,432	$255,752
Other	$457,840	$900,827
Total	$4,463,626	$2,291,990

4. BANK INDEBTEDNESS

The jurisdiction has negotiated a line of credit in the amount of $2,291,990 that bears interest at the bank prime rate less .25%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

5. ACCOUNTS PAYABLE AND LIABILITIES

	2004	2003
Alberta Learning	$137,285	$113,402
Alberta Infrastructure		0
Alberta Finance		0
Other Province of Alberta		0
Federal Government		0
First Nations		0
Alberta Municipalities		0
Other Alberta School Jurisdictions		0
Other Trade Payables and Accrued Liabilities	$8,033,739	$7,439,760
Total	$8,171,024	$7,553,162

6. DEFERRED REVENUE

	2004	2003
Infrastructure Maintenance Program (formerly BQRP)		
Alberta Initiative for School Improvement	$153,237	$55,527
1999 One Time Grant	$313,907	$395,611
Other	$852,633	$1,831,903
Total	$1,319,777	$2,283,041

7. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2004	2003
Deferred Salary Leave Plan	$299,695	$263,600
Scholarship Trusts	$80,696	$80,314
Student Health Initiative Trust (SHI Banker Board)		
Total	$380,391	$343,914

8. LONG TERM DEBT

a) Debenture Debt – Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	Principal	Interest	Total
2004-2005	$3,082,331	$2,072,410	$5,154,741
2005-2006	$2,862,442	$1,760,351	$4,622,793
2006-2007	$2,802,442	$1,469,308	$4,271,750
2007-2008	$2,635,590	$1,184,715	$3,820,305
2008-2009	$2,351,132	$916,292	$3,267,424
2009 to maturity	$6,937,515	$1,693,239	$8,630,754
Total	$20,671,452	$9,096,315	$29,767,767

b) Capital Leases – Unsupported

Currently, there are no capital leases held by the jurisdiction.

9. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. COMMITMENTS

a) Building Projects

The jurisdiction is committed to no further capital expenditures. It is anticipated that these costs will be fully funded by the capital allocations from Alberta Infrastructure.

b) Office Lease

The jurisdiction is committed to lease office space on behalf of an affiliated organization to July 31, 2005. The monthly rental of $26,220

12. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The Rocky View School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

13. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

14. COMPARATIVE FIGURES

The Budget 2004 and Actual 2003 comparative figures have been reclassified where necessary to conform to Actual 2003 presentation.

School Jurisdiction Code: 1190

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$71,695,697	$3,282,205	$68,403,492						
(2) Support block	$10,994,385				$7,578,781			$3,415,604	
(3) Instruction & support block reallocations	$0	($34,884)	$34,884		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$1,761,085	$0	$1,761,085						
(5) Student Health Initiative (SHI)	$461,959	$0	$461,959						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$2,968,958	$0	$2,938,752					$30,206	$0
(8) Regional P.D. Consortium (6 boards only)	$163,106								$163,106
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$287,932	$2,100	$126,220		$118,600			$0	$41,012
(11) **Total Alberta Learning Revenue**	$88,333,122	$3,259,421	$73,726,392	$0	$7,697,381			$3,445,810	$204,118
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$1,566,909			$1,566,909					
(13) Operations & Maintenance support	$8,405,032			$8,405,032					
(14) Operations & Maintenance support (One-Time)	$700,829			$700,829					
(15) **Total Alberta Infrastructure Revenue**	$10,672,770			$10,672,770					
(16) **Alberta Finance**	$2,401,842			$2,401,842					$0
(17) **Other - Government of Alberta**	$29,892	$0	$10,458	$10,902	$5,530			$3,002	
(18) **Federal Government and/or First Nations**	$619,164	$8,908	$519,940	$70,069	$0			$20,247	$0
(19) **Other Alberta school authorities**	$298,432	$0		$0	$298,432			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$374,207	$0	$50,068	$324,139	$0			$0	$0
(22) **Instruction resource fees**	$1,732,257	$19,998	$1,712,259						
(23) **Transportation fees**	$750,161				$750,161				
(24) **Other sales and services**	$932,192	$0	$175,688	$85,542	$0			$1,817	$669,145
(25) **Investment income**	$461,793	$0	$375,737	$37,207	$33,560			$15,289	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$411,790		$103,504	$303,995	$0			$4,291	$0
(28) **Net school generated funds**	$973,948	$0	$973,948	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$5,611,672			$5,611,672	$0				$0
(31) **TOTAL REVENUES**	$113,603,242	$3,288,327	$77,647,994	$19,518,138	$8,785,064			$3,490,456	$873,263
EXPENSES									
(32) **Certificated salaries**	$52,887,182	$1,823,798	$50,521,477				$541,907	$541,907	$0
(33) **Certificated benefits**	$6,160,395	$198,890	$5,913,342				$48,163	$48,163	$0
(34) **Uncertificated salaries and wages**	$15,481,002	$769,431	$9,035,878	$3,553,592	$264,584	$181,947	$1,564,617	$1,746,564	$110,953
(35) **Uncertificated benefits**	$3,300,309	$99,299	$2,205,018	$624,585	$48,495	$25,414	$284,302	$309,716	$13,196
(36) **SUB - TOTAL**	$77,828,888	$2,891,418	$67,675,715	$4,178,177	$313,079	$207,361	$2,438,989	$2,646,350	$124,149
(37) **Services, contracts & supplies**	$24,421,219	$379,034	$7,325,238	$6,253,935	$8,325,801	$117,818	$1,270,279	$1,388,097	$749,114
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$17,875	$274,700	$211,432	$35,532	$12,068	($551,607)	($539,539)	$0
(39) **Net school generated funds**	$973,948	$0	$973,948	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$5,611,672	$0	$0	$5,611,672	$0		$0	$0	$0
(41) Unsupported	$574,463	$0	$334,192	$207,846	$0	$0	$32,425	$32,425	$0
(42) Total Amortization	$6,186,135	$0	$334,192	$5,819,518	$0	$0	$32,425	$32,425	$0
Interest on capital debt									
(43) Supported	$2,401,843	$0	$0	$2,401,843	$0		$0	$0	$0
(44) Unsupported	$1,476	$0	$0	$1,476	$0	$0	$0	$0	$0
(45) Other interest charges	$6,976	$0	$5,558	$813	$553		$252	$252	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$111,820,485	$3,288,327	$76,589,351	$18,866,994	$8,674,965	$337,247	$3,190,338	$3,527,585	$873,263
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$1,782,757	$0	$1,058,643	$651,144	$110,099			($37,129)	$0

School Jurisdiction Code: 1190

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$40,070,582	$4,321,062	$601,983	$3,199,368	$1,191,191	$971,867	$165,424	$50,521,477
Certificated benefits	$4,793,669	$360,514	$63,757	$452,183	$132,093	$99,860	$11,266	$5,913,342
Uncertificated salaries and wages	$3,587,468	$2,448,192	$162,604	$1,215,063	$1,469,306	$9,670	$143,575	$9,035,878
Uncertificated benefits	$909,916	$643,125	$29,440	$243,014	$350,350	$2,122	$27,051	$2,205,018
SUB - TOTAL REMUNERATION	$49,361,635	$7,772,893	$857,784	$5,109,628	$3,142,940	$1,083,519	$347,316	$67,675,715
Services, contracts & supplies	$6,153,214	$21,149	$158,131	$46,882	$242,397	$677,566	$25,899	$7,325,238
Cost recoveries & transfers	$255,027	$0	$19,673	$0	$0	$0	$0	$274,700
Net school generated funds	$973,948							$973,948
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$334,192	$0	$0					$334,192
Total Amortization	$334,192	$0	$0					$334,192
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$5,558	$0						$5,558
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$57,083,574	$7,794,042	$1,035,588	$5,156,510	$3,385,337	$1,761,085	$373,215	$76,589,351
FTE Certificated				49.0	19.0			
FTE Uncertificated				56.0	72.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$63,853,777	$5,288,016	$2,209,343	$34,884	$71,386,020	$57,696,743	$13,689,277
School Admin & Instruction Support Expenses						$7,794,042	($7,794,042)
System Instruction Support Expenses						$1,035,588	($1,035,588)
Total Basic Instruction	$63,853,777	$5,288,016	$2,209,343	$34,884	$71,386,020	$66,526,373	$4,859,647
Sub-Programs & Initiatives							
Severely Disabled	$1,844,040	$0	$0		$1,844,040	$3,385,337	($1,541,297)
English as a Second Language	$141,312				$141,312	$141,500	($188)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$55,018		$0		$55,018	$56,189	($1,171)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$181,834				$181,834		$181,834
Growth & Density	$379,702				$379,702		$379,702
Teacher Assistants Program	$264,778				$264,778	$267,124	($2,346)
Early Literacy Initiative (K-2)	$460,379				$460,379	$515,395	($55,016)
Learning Resources Credit & Resources for the Classroom	$446,190	$0	$1,712,259		$2,158,449	$4,042,792	($1,884,343)
Technology Integration	$611,996		$0		$611,996	$1,425,753	($813,757)
French Language Program & Francisation (all jurisdictions)	$130,310		$0		$130,310	$133,415	($3,105)
Home Education	$34,156		$0		$34,156	$95,473	($61,317)
Total Sub-Programs & Initiatives	$4,549,715		$1,712,259		$6,261,974	$10,062,978	($3,801,004)
INSTRUCTION, GRADES 1-12	$68,403,492	$5,288,016	$3,921,602	$34,884	$77,647,994	$76,589,351	$1,058,643

School Jurisdiction Code: 1190

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$71,083,701
Support Block - Transportation	$7,578,781
SUBTOTAL	$78,662,482

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$8,405,032
Teacher Salary Enhancement	$2,968,958
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$29,892
Federal government/First Nations	$619,164
Other Alberta school authorities	$298,432
Out of province local authorities	$0
Alberta municipalities	$374,207
Other sales and services	$932,192
Interest on investments	$461,793
Rentals of facilities	$411,790
Gains on disposal of capital assets	$0
Amortization of capital allocations	$5,611,672
School generated funds (Schedule E)	$4,463,000
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$103,238,614**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$4,129,545
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$4,129,545**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$3,527,585
PLUS: transfers to Restricted - Operating (Board/System Administration)	-$4,703
LESS: transfers from Restricted - Operating (Board/System Administration)	-$709,000
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,813,882
Maximum Expense Limit for Board & System Administration (Step 3)	$4,129,545
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$1,315,663

School Jurisdiction Code: 1190

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$2,398,513
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$4,463,000	
Less: SGF - related cost recoveries (Note 3)	$3,748,299	
- capitalized at the District level (Note 4)	$0	
Net Total	$714,701	
Plus: Donations Received (Note 5)	$191,220	
Equals: Net Additions to SGF		$905,921
Net SGF Available for discretionary spending		$3,304,434
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$973,948
Unexpended SGF - Closing Balance August 31, 2004		$2,330,486

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1190

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$2,703,273	$850,319	$0	$0	$0	$3,553,592		$3,553,592
Uncertificated benefits	$396,175	$228,410	$0	$0	$0	$624,585		$624,585
Sub-total Remuneration	$3,099,448	$1,078,729	$0	$0	$0	$4,178,177		$4,178,177
Contracted Services	$452,868	$972,967	$86,689	$184,010	$0	$1,696,535		$1,696,535
Supplies	$3,760	$0	$16,248	$1,871,287	$8,579	$1,899,874		$1,899,874
Electricity			$1,478,122			$1,478,122		$1,478,122
Natural Gas/Heating Fuel			$627,490			$627,490		$627,490
Sewer and Water			$345,025			$345,025		$345,025
Telecommunications			$0			$0		$0
Insurance					$206,888	$206,888		$206,888
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$5,611,672	$5,611,672
Unsupported						$207,846		$207,846
Total Amortization						$207,846	$5,611,672	$5,819,518
Interest on capital debt								
Supported							$2,401,843	$2,401,843
Unsupported				$0		$1,476		$1,476
Other interest charges						$613		$613
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$211,432		$211,432
TOTAL EXPENSES	$3,556,076	$2,051,697	$2,553,575	$2,055,297	$215,467	$10,853,479	$8,013,515	$18,866,994
SQUARE METRES								
School Buildings								160,402.0
Non School Buildings								1,090.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	82.3	18.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 1190

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Terry Patey	0.2	$2,251	$181	$1,646			$4,078	$293
Name	Wendy Metzger	0.8	$14,950	$636	$8,233			$23,819	$0
Other Board Members:									
Name	Cindy Berry	1.0	$13,231	$4,608	$9,879			$27,718	$1,848
Name	Kim Salkeld	1.0	$15,714	$4,721	$9,879			$30,314	$4,994
Name	Maureen Munro	1.0	$14,258	$4,185	$9,879			$28,322	$1,651
Name	John Murray	1.0	$20,677	$3,559	$9,879			$34,115	$3,700
Name	Wendy Metzger	0.2	$3,752	$3,942	$1,646			$9,340	$0
Name	Terry Patey	0.8	$13,008	$986	$8,233			$22,226	$1,600
Name	Lorne Kozack	1.0	$14,140	$2,597	$9,879			$26,616	$1,438
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$111,981*	*$25,415*	*$69,153*			*$206,548*	*$15,524*
Superintendent	Lyall Thonson	1.0	$138,276	$13,452	$6,900	$0	$0	$158,628	$14,471
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Darrell Couture	1.0	$113,435	$16,506	$4,200	$0	$0	$134,141	$5,786
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		786.0	$52,742,006	$6,146,943	$0	$0	$0	$58,888,949	
Uncertificated Salaries & Wages		510.0	$15,182,233	$3,258,388	$0	$0	$0	$18,440,621	
TOTALS			**$68,287,931**	**$9,460,704**	**$80,253**	**$0**	**$0**	**$77,828,887**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code: 7020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Albert Protestant Separate School District No. 6
Legal Name of School Jurisdiction

60 Sir Winston Churchill Avenue, St. Albert, AB T8N 0G4
Mailing Address

Phone: 780-460-3712 Fax: 780-460-7686
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Albert Protestant Separate School District No. 6
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Dr. Morag Pansegrau	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Joseph M. Demko	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Michael R. Brenneis, BComm, CA	**"ORIGINAL SIGNED"**
Name	**Signature**

10-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jerry@gov.ab.ca
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October 29, 2004

Auditors' Report

To the Board of Trustees of
St. Albert Protestant Separate School District No. 6

We have audited the statement of financial position of **St. Albert Protestant Separate School District No. 6** as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at August 31, 2004 and the results of its operations, cash flows, changes in net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The budgeted information in the statement of revenue and expenses has not been subjected to audit procedures and, accordingly, we do not express an opinion on this information.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

School Jurisdiction Code: 7020

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$4,130,228	$4,216,852
Accounts receivable (net after allowances)		$3,861,567	$3,441,107
Prepaid expenses		$157,415	$147,650
Other current assets		$0	$0
Total current assets		$8,149,210	$7,805,609
School generated assets		$673,869	$664,627
Trust assets		$105,726	$54,171
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,601,571	$1,601,571
Buildings	$56,986,829		
Less: accumulated amortization	($30,478,670)	$26,508,159	$28,051,764
Equipment	$1,968,331		
Less: accumulated amortization	($902,561)	$1,065,770	$1,010,451
Vehicles	$343,627		
Less: accumulated amortization	($315,138)	$28,489	$53,897
Total capital assets		$29,203,989	$30,717,683
TOTAL ASSETS		$38,132,794	$39,242,090
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,866,063	$2,983,944
Deferred revenue		$1,162,693	$1,111,817
Deferred capital allocations		$31,873	$49,755
Current portion of all long term debt		$1,250,763	$1,338,350
Total current liabilities		$5,311,392	$5,483,866
School generated liabilities		$673,869	$664,627
Trust liabilities		$105,726	$54,171
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$10,295,402	$11,502,652
Less: Current portion of supported debt		($1,119,663)	($1,207,250)
Unsupported: Debentures and Capital Loans		$327,800	$458,900
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($131,100)	($131,100)
Unamortized capital allocations		$14,594,784	$14,772,935
Total long term liabilities		$24,746,818	$26,114,935
TOTAL LIABILITIES		$30,058,210	$31,598,801
NET ASSETS			
Unrestricted net assets		$326,433	$729,192
Operating Reserves		$3,546,033	$2,689,378
Accumulated Operating Surplus (Deficit)		$3,872,466	$3,418,570
Investment in capital assets		$3,986,004	$3,983,197
Capital Reserves		$216,114	$241,522
Total Capital Funds		$4,202,118	$4,224,719
Total net assets		$8,074,584	$7,643,289
TOTAL LIABILITIES AND NET ASSETS		$38,132,794	$39,242,090

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 7020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$36,688,583	$35,484,953	$35,621,192
Alberta Infrastructure	$4,507,298	$4,220,229	$4,134,307
Alberta Finance	$1,100,212	$1,196,746	$1,225,156
Other Government of Alberta	$230,331	$278,188	$494,078
Federal Government and/or First Nations	$88,307	$0	$89,302
Other Alberta school authorities	$137,488	$0	$128,130
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$631,345	$461,000	$503,233
Transportation fees	$293,907	$278,250	$281,460
Other sales and services	$738,465	$464,916	$664,737
Investment income	$147,955	$100,000	$178,443
Gifts and donations	$8,039	$18,000	$10,025
Rentals of facilities	$40,576	$5,000	$137,740
Net school generated funds	$42,182	$200,000	$94,139
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$1,585,139	$1,591,122	$1,505,914
Total Revenues	$46,239,827	$44,298,404	$45,067,856
EXPENSES			
Certificated salaries	$24,892,601	$23,834,327	$23,644,306
Certificated benefits	$2,779,441	$2,700,335	$2,748,230
Uncertificated salaries and wages	$6,169,899	$6,140,758	$6,285,520
Uncertificated benefits	$1,351,895	$1,369,407	$1,356,060
Services, contracts and supplies	$7,367,429	$7,489,849	$7,384,423
Net school generated funds	$42,182	$200,000	$94,139
Capital and debt services			
Amortization of capital assets			
Supported	$1,585,139	$1,591,122	$1,505,914
Unsupported	$490,124	$490,208	$508,823
Total Amortization of capital assets	$2,075,263	$2,081,330	$2,014,737
Interest on capital debt			
Supported	$1,100,212	$1,126,746	$1,225,156
Unsupported	$29,610	$32,020	$38,885
Total Interest on capital debt	$1,129,822	$1,158,766	$1,264,041
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$45,808,532	$44,974,772	$44,791,456
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$431,295	($676,368)	$276,400
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$431,295	($676,368)	$276,400

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 7020

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$431,295	$276,400
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,585,139)	($1,505,914)
Total amortization expense	$2,075,263	$2,014,737
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($420,460)	($905,885)
Prepaids and other current assets	($9,765)	($9,353)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($117,881)	($1,182,496)
Deferred revenue	$50,876	($499,904)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$424,189	($1,812,415)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land		$0
Buildings	($199,738)	($1,634,547)
Equipment	($361,831)	($323,515)
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($561,569)	($1,958,062)
C. FINANCING ACTIVITIES		
Capital allocations received	$181,856	$510,168
Issue of long term debt	$0	$0
Repayment of long term debt	($1,338,350)	($1,405,339)
Add back: supported portion	$1,207,250	$1,274,238
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$50,756	$379,067
Net sources (uses) of cash equivalents* during year	($86,624)	($3,391,410)
Cash Equivalents at the beginning of the year	$4,216,852	$7,608,262
Cash Equivalents at the end of the year	$4,130,228	$4,216,852

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 7020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
				TOTAL	RESTRICTED NET ASSETS									
	TOTAL	INVESTMENT	UNRESTRICTED	RESTRICTED	School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	NET ASSETS (Columns 2+3+4)	IN CAPITAL ASSETS	NET ASSETS	NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$7,643,289	$3,983,197	$729,192	$2,930,900	$2,089,058	$128,401	$240,309	$31,000	$356,503	$82,121	$3,508	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$7,643,289	$3,983,197	$729,192	$2,930,900	$2,089,058	$128,401	$240,309	$31,000	$356,503	$82,121	$3,508	$0	$0	$0
Surplus(def) of revenue over expenses	$431,295		$431,295											
Board funded capital transactions		$361,831	($361,831)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,075,263)	$2,075,263											
Amortization of capital allocations		$1,585,139	($1,585,139)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$131,100	($131,100)											
Net transfers to operating reserves			($2,629,320)	$2,629,320	$2,346,988		$0		$248,103		$34,229		$0	
Net transfers from operating reserves			$1,772,665	($1,772,665)	($1,673,757)		($20,781)		($76,958)		($1,169)		$0	
Net transfers to capital reserves			$0	$0				$0		$0		$0		$0
Net transfers from capital reserves			$25,408	($25,408)		($25,408)		$0		$0		$0		$0
Balance at August 31, 2004	$8,074,584	$3,986,004	$326,433	$3,762,147	$2,762,289	$102,993	$219,528	$31,000	$527,648	$82,121	$36,568	$0	$0	$0

School Jurisdiction Code: 7020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$49,755	$14,772,935
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$181,856	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$1,207,250
Expended capital allocations - current year		($199,738)	$199,738
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,585,139
Balance at August 31, 2004		$31,873	$14,594,784

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1 Authority and purpose

The District delivers primary and secondary education programs under the authority of the School Act, Chapter S-3, Statutes of Alberta, January 1, 2002.

The District receives block allocations for instruction and support under regulation 72/95. The regulation limits the funding and expenditures for administration. It permits the District, within specified limits, to reallocate funding between the instruction and support blocks.

2 Summary of significant accounting policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Revenue recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital allocations until spent. Once spent, they are transferred to unamortized capital allocations, which are amortized to revenue on the same basis as the property and equipment asset acquired by the grant.

Unrestricted donations are recognized as revenue when received or receivable. Donations in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) Property and equipment

Property and equipment are recorded at cost and amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Property and equipment are amortized in the year following acquisition.

Only property and equipment with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) Amortization

Amortization expense is reflected as a period expense on the income statement and results in a reduction to unrestricted net assets. However, an amount equal to the amortization of supported assets is recorded as revenue. Amortization expense results in a transfer from investment in capital assets to unrestricted net assets on the statement of changes in net assets. The transfer from investment in capital assets to unrestricted net assets offsets the effect of the amortization expense of the period resulting in no change to the accumulated surplus.

d) School generated funds

School generated funds are funds raised in the community for activities that come under the control and responsibility of school management. School generated funds are included in the financial statements of the District because the accountability and control of these funds rests with the school officials or their appointee(s).

e) Vacation pay

Vacation pay is recorded in the period in which it is earned.

f) Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, St. Albert Protestant Separate School District No. 6 does not make pension contributions for certificated staff.

The District participates in the multi-employer pension plan, Local Authorities Pension Plan. The District's expense for this plan is equivalent to the annual contributions of $285,009 (2003 – $246,394) for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2003 – $444,980,000 deficiency).

g) Contributed services

Volunteers assist schools operated by the school district in carrying out certain activities. Because of the difficulty of determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

h) Capital debt

Capital debt interest is recorded as an expenditure in the financial statements. Grants are receivable from Alberta Treasury for the interest expense and principal payments made on supported debt. The grant amounts received or receivable for the interest expense have been recorded as revenue in the financial statements. The total principal repayments on supported debt have been recorded to the debenture debt liability and equity in capital assets.

i) Financial instruments

The District's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values.

3 Accounts receivable

	2004 $	2003 $
Province of Alberta	2,428,704	2,165,841
Federal Government	184,769	81,172
Alberta municipalities	1,108,156	1,041,404
Other	139,938	152,690
	3,861,567	3,441,107

4 Trust assets/trust liabilities

Trust assets and liabilities are accounts which the District is not entitled to, but which the District manages on behalf of others.

	2004 $	2003 $
Deferred salary leave plan	97,208	35,299
Other	8,518	18,872
	105,726	54,171

5 Accounts payable and accrued liabilities

	2004 $	2003 $
Trade payables and accrued liabilities	1,107,217	2,420,321
Province of Alberta	1,758,846	563,623
	2,866,063	2,983,944

During the year, Alberta Learning examined the District's procedures for recording credit enrolment units ("CEU") at one of the jurisdiction's high schools for the District's 2003 fiscal year. As of October 29, 2004, the District has not received any information on the results of Alberta Learning's work. Management believes that an adjustment to CEU revenue, if any, would not have a material adverse impact on the organization's financial position and statement of revenues and expenses.

6 Deferred revenue

	2004 $	2003 $
Infrastructure Maintenance Program (formerly Building Quality Restoration Program	87,957	133,520
Block modernization	167,509	273,203
Deferred Infrastructure	185,136	-
Alberta Initiative for School Improvement	139,447	89,407
One time grant funding 1999	65,498	76,985
One time grant funding 2003 – 2004	-	285,012
Transportation fees	196,986	167,263
Tuition	178,342	85,774
Other	141,818	653
	1,162,693	1,111,817

7 Unamortized capital allocations

The initial receipt of funds specifically designated for the funding of capital assets are recorded to deferred capital allocations. As expenditures are incurred for the related asset, the appropriate proportion of deferred capital allocation funds are transferred to unamortized capital allocations.

When the capital asset is complete the applicable unamortized capital allocation amount is amortized as revenue over the same period of time that the capital asset is amortized to expense.

The deferred capital allocation balance of $31,873 (2003 – $49,755) results from unexpended school modernization funds received from the province but not expended at August 31, 2004.

8 Long-term debt

	2004 **$**	**2003** **$**
Debentures outstanding at August 31, 2004 have interest rates, which vary between 6.25% to 12.0%. The terms of the debentures range from 8 to 25 years with payments of principal and interest made annually	10,623,202	11,961,552
Less: Current portion	1,250,763	1,338,350
	9,372,439	10,623,202

$10,295,402 in debentures are supported by Alberta Finance and $327,800 is unsupported debt.

The principal repayments in each of the next five fiscal years and beyond are as follows:

	Supported **$**	**Unsupported** **$**	**Total** **$**
2005	1,119,663	131,100	1,250,763
2006	1,084,904	131,100	1,216,004
2007	1,057,304	65,600	1,122,904
2008	981,921	-	981,921
2009	922,811	-	922,811
Thereafter	5,128,799	-	5,128,799
	10,295,402	327,800	10,623,202

9 Internally restricted net assets

Reserves created by the authorization of the Board of Trustees represent funds allocated for future capital expenditures and future operating expenses. The capital reserves are established and expended in accordance with the terms and conditions established by the Board.

10 Related party transactions and economic dependence

Various Government of Alberta departments are involved with administering education, district facilities, and the various school boards in the province and are considered to be related parties. The District's primary source of revenue is from the Alberta Government. The District's ability to continue viable operations is dependant on this funding.

11 Urban School Insurance Consortium

The District is a member of the Urban School Insurance Consortium, an organization which facilitates the placement of property and liability insurance coverage for thirteen districts throughout the province of Alberta. Premium rebates are received from the insurers favourable claims experience and accumulated by the consortium to self-insure a portion of the member's risk exposure. The District's share of the accumulated consortium funds as at August 31, 2004 was $237,287 (2003 – $180,982). This amount has not been recognized in the District's financial statements, as the District has not realized the revenue.

12 Budget

The budget was prepared by district management with the Board of Trustees' approval given on May 14, 2003. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 7020

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin	External Services
Alberta Learning allocations									
(1) Instruction block	$32,117,877	$989,399	$31,128,478						
(2) Support block	$2,220,092				$779,710			$1,440,382	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$722,545	$0	$722,545						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,349,000	$0	$1,349,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$279,069	$0	$267,169		$11,900			$0	$0
(11) **Total Alberta Learning Revenue**	$36,688,583	$989,399	$33,467,192	$0	$791,610			$1,440,382	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$515,111			$515,111					
(13) Operations & Maintenance support	$3,626,139			$3,626,139					
(14) Operations & Maintenance support (One-Time)	$366,048			$366,048					
(15) **Total Alberta Infrastructure Revenue**	$4,507,298			$4,507,298					
(16) **Alberta Finance**	$1,100,212			$1,100,212					$0
(17) **Other - Government of Alberta**	$230,331	$4,454	$211,217	$14,660	$0			$0	$0
(18) **Federal Government and/or First Nations**	$88,307	$0	$88,307	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$137,486	$0	$137,486	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$631,345	$0	$631,345						
(23) **Transportation fees**	$293,907				$293,907				
(24) **Other sales and services**	$738,465	$0	$689,863	$8,906	$0			$39,696	$0
(25) **Investment income**	$147,955	$0	$0	$0	$0			$147,955	$0
(26) **Gifts and donations**	$8,039	$0	$8,039	$0	$0				$0
(27) **Rentals of facilities**	$40,576		$35,670	$4,706	$0			$200	$0
(28) **Net school generated funds**	$42,182	$0	$42,182	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,585,139		$0	$1,585,139	$0				$0
(31) **TOTAL REVENUES**	$46,239,827	$993,853	$35,311,303	$7,220,921	$1,085,517			$1,628,233	$0
EXPENSES									
(32) **Certificated salaries**	$24,892,601	$598,005	$24,034,752				$259,844	$259,844	$0
(33) **Certificated benefits**	$2,779,441	$69,505	$2,688,534				$21,402	$21,402	$0
(34) **Uncertificated salaries and wages**	$6,169,899	$85,668	$3,698,140	$1,690,833	$44,283	$92,208	$558,767	$650,975	$0
(35) **Uncertificated benefits**	$1,351,895	$16,333	$860,240	$344,770	$9,545	$5,660	$115,347	$121,007	$0
(36) **SUB - TOTAL**	$35,193,836	$769,511	$31,281,666	$2,035,603	$53,828	$97,868	$955,360	$1,053,228	$0
(37) **Services, contracts & supplies**	$7,367,429	$102,152	$3,656,348	$2,269,219	$997,461	$30,781	$311,468	$342,249	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$42,182	$0	$0	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,585,139	$0	$0	$1,585,139	$0		$0	$0	$0
(41) Unsupported	$490,124	$0	$224,636	$221,920	$1,169	$0	$42,397	$42,397	$0
(42) Total Amortization	$2,075,263	$0	$224,636	$1,807,059	$1,169	$0	$42,397	$42,397	$0
Interest on capital debt									
(43) Supported	$1,100,212	$0	$0	$1,100,212	$0		$0	$0	$0
(44) Unsupported	$29,610	$0	$0	$29,610	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$45,808,532	$871,663	$35,162,652	$7,241,703	$1,052,458	$128,649	$1,309,225	$1,437,874	$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$431,295	$122,190	$148,651	($20,782)	$33,059			$190,359	$0

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$18,358,684	$2,597,982	$93,444	$2,151,076	$280,357	$553,209	$0	$24,034,752
Certificated benefits	$2,022,530	$317,104	$7,359	$250,013	$31,460	$60,068	$0	$2,688,534
Uncertificated salaries and wages	$304,314	$1,652,910	$115,470	$601,104	$1,021,640	$2,702	$0	$3,698,140
Uncertificated benefits	$59,108	$396,527	$25,126	$138,082	$240,803	$594	$0	$860,240
SUB - TOTAL REMUNERATION	$20,744,636	$4,964,523	$241,399	$3,140,275	$1,574,260	$616,573	$0	$31,281,666
Services, contracts & supplies	$2,343,687	$615,024	$108,915	$223,117	$212,331	$153,274	$0	$3,656,348
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$0							$0
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$178,959	$31,010	$14,669					$224,638
Total Amortization	$178,959	$31,010	$14,669					$224,638
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$23,267,282	$5,610,557	$364,983	$3,363,392	$1,786,591	$769,847	$0	$35,162,652
FTE Certificated				32.9	4.3			
FTE Uncertificated				23.6	40.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$28,444,967	$2,113,322	$1,212,766	$0	$31,771,055	$25,970,353	$5,800,702
School Admin & Instruction Support Expenses						$5,610,557	($5,610,557)
System Instruction Support Expenses						$364,983	($364,983)
Total Basic Instruction	$28,444,967	$2,113,322	$1,212,766	$0	$31,771,055	$31,945,893	($174,838)
Sub-Programs & Initiatives							
Severely Disabled	$1,912,102	$123,300	$0		$2,035,402	$1,786,591	$248,811
English as a Second Language	$29,440				$29,440	$29,440	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$53,117				$53,117		$53,117
Teacher Assistants Program	$107,644				$107,644	$107,644	$0
Early Literacy Initiative (K-2)	$185,937				$185,937	$185,937	$0
Learning Resources Credit & Resources for the Classroom	$39,418	$102,092	$631,345		$772,855	$772,855	$0
Technology Integration	$274,032		$0		$274,032	$252,471	$21,561
French Language Program & Francisation (all jurisdictions)	$80,839		$0		$80,839	$80,839	$0
Home Education	$982		$0		$982	$982	$0
Total Sub-Programs & Initiatives	$2,683,511		$631,345		$3,540,248	$3,216,759	$323,489
INSTRUCTION, GRADES 1-12	$31,128,478	$2,338,714	$1,844,111	$0	$35,311,303	$35,162,652	$148,651

School Jurisdiction Code: 7020

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$31,843,845
Support Block - Transportation	$779,710
SUBTOTAL	$32,623,555
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,626,139
Teacher Salary Enhancement	$1,349,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$230,331
Federal government/First Nations	$88,307
Other Alberta school authorities	$137,488
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$738,465
Interest on investments	$147,955
Rentals of facilities	$40,576
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,585,139
School generated funds (Schedule E)	$2,125,539
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$42,692,494**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,707,700
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,707,700**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,437,874
PLUS: transfers to Restricted - Operating (Board/System Administration)	$248,103
LESS: transfers from Restricted - Operating (Board/System Administration)	-$76,958
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,609,019
Maximum Expense Limit for Board & System Administration (Step 3)	$1,707,700
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$98,681

School Jurisdiction Code: 7020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$664,627
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$2,125,539	
Less: SGF - related cost recoveries (Note 3)	$2,064,830	
- capitalized at the District level (Note 4)	$9,285	
Net Total	$51,424	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$51,424
Net SGF Available for discretionary spending		$716,051
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$42,182
Unexpended SGF - Closing Balance August 31, 2004		$673,869

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 7020

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,085,119	$421,222	$0	$0	$184,492	$1,690,833		$1,690,833
Uncertificated benefits	$228,109	$81,855	$0	$0	$34,806	$344,770		$344,770
Sub-total Remuneration	$1,313,228	$503,077	$0	$0	$219,298	$2,035,603		$2,035,603
Contracted Services	$175,938	$16,461	$25,563	$242,750	$1,239	$461,951		$461,951
Supplies	$151,647	$478,527	$0	$242,750	$4,044	$876,968		$876,968
Electricity			$440,403			$440,403		$440,403
Natural Gas/Heating Fuel			$322,092			$322,092		$322,092
Sewer and Water			$59,636			$59,636		$59,636
Telecommunications			$14,562			$14,562		$14,562
Insurance					$93,607	$93,607		$93,607
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,585,139	$1,585,139
Unsupported						$221,920		$221,920
Total Amortization						$221,920	$1,585,139	$1,807,059
Interest on capital debt								
Supported							$1,100,212	$1,100,212
Unsupported				$29,610		$0		$29,610
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,640,813	$998,065	$862,256	$515,110	$318,188	$4,556,352	$2,685,351	$7,241,703
SQUARE METRES								
School Buildings								70,284.2
Non School Buildings								3,660.5
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	30.8	8.5						
Contracted Services	6.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 7020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Joan Trettler	1.0	$23,199	$597	$0			$23,796	$1,692
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Joan Alexander	1.0	$16,875	$943	$0			$17,818	$375
Name	Irene Harvey	1.0	$16,382	$1,464	$0			$17,846	$1,914
Name	Judy Huisman	1.0	$17,880	$1,336	$0			$19,216	$945
Name	Morag Pansegrau	1.0	$17,869	$472	$0			$18,341	$2,246
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*5.0*	*$92,205*	*$4,812*	*$0*			*$97,017*	*$7,172*
Superintendent	Joe Demko	1.0	$120,448	$8,502	$0	$0	$0	$128,950	$1,763
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary	Donna Taylor	1.0	$43,576	$10,890	$0	$0	$0	$54,466	$145
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer	Michael Brenneis	1.0	$108,319	$16,677	$0	$0	$0	$124,996	$1,483
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		350.1	$24,772,153	$2,770,939	$0	$0	$0	$27,543,092	
Uncertificated Salaries & Wages		175.2	$5,925,799	$1,319,516	$0	$0	$0	$7,245,315	
TOTALS			$31,062,500	$4,131,336	$0	$0	$0	$35,193,836	

Note: Employed or contracted out. Please refer to completion information on page 15

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e. retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 2185

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Paul Education Regional Division No. 1
Legal Name of School Jurisdiction

4901 - 47 Street St. Paul, Alberta T0A 3A3
Mailing Address

Phone: (780) 645-3323 Fax: (780) 645-5789
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Paul Education Regional Division No. 1 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Lorne Buryn	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
Douglas Yeo	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
Jean Champagne	"ORIGINAL SIGNED"

29-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Wilde & Company
CHARTERED ACCOUNTANTS

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VEGREVILLE, ALBERTA, T9C 1R1

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AUDITORS' REPORT

To the Board of Trustees
St. Paul Education Regional Division No. 1

We have audited the statement of financial position of the St. Paul Education Regional Division No. 1 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets, and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vegreville, Alberta
November 4, 2004

Wilde & Company
Chartered Accountants

School Jurisdiction Code: 2185

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$5,844,641	$8,462,960
Accounts receivable (net after allowances)		$2,521,418	$1,731,047
Prepaid expenses		$288,856	$293,046
Other current assets		$0	$0
Total current assets		$8,654,915	$10,487,053
School generated assets		$367,722	$464,447
Trust assets		$34,486	$34,486
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$128,374	$128,374
Buildings	$28,371,145		
Less: accumulated amortization	($14,271,648)	$14,099,497	$12,708,719
Equipment	$2,548,621		
Less: accumulated amortization	($1,608,157)	$940,464	$1,075,076
Vehicles	$1,990,788		
Less: accumulated amortization	($1,046,462)	$944,326	$876,476
Total capital assets		$16,112,661	$14,788,645
TOTAL ASSETS		$25,169,784	$25,774,631
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,273,261	$1,766,665
Deferred revenue		$325,596	$599,896
Deferred capital allocations		$1,529,377	$3,465,212
Current portion of all long term debt		$528,776	$540,909
Total current liabilities		$4,657,010	$6,372,682
School generated liabilities		$367,722	$464,447
Trust liabilities		$34,486	$34,486
Employee future benefits liability		$84,154	$91,844
Long term debt			
Supported:	Debentures and other supported debt	$3,827,508	$4,368,417
	Less: Current portion of supported debt	($528,776)	($540,909)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$10,424,903	$8,599,022
Total long term liabilities		$14,209,997	$13,017,307
TOTAL LIABILITIES		$18,867,007	$19,389,989
NET ASSETS			
Unrestricted net assets		$501,813	$501,813
Operating Reserves		$3,837,308	$3,958,218
Accumulated Operating Surplus (Deficit)		$4,339,121	$4,460,031
Investment in capital assets		$1,860,247	$1,821,202
Capital Reserves		$103,409	$103,409
Total Capital Funds		$1,963,656	$1,924,611
Total net assets		$6,302,777	$6,384,642
TOTAL LIABILITIES AND NET ASSETS		$25,169,784	$25,774,631

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2185

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$22,376,594	$22,815,436	$22,238,247
Alberta Infrastructure	$3,592,111	$2,833,729	$3,116,403
Alberta Finance	$431,997	$458,526	$489,239
Other Government of Alberta	$54,310	$5,000	$42,400
Federal Government and/or First Nations	$7,634,965	$7,443,911	$8,189,745
Other Alberta school authorities	$0	$0	$624
Out of province authorities	$0	$0	$11,000
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$230,651	$257,715	$217,146
Transportation fees	$38,734	$36,700	$38,481
Other sales and services	$225,977	$87,150	$198,313
Investment income	$191,684	$210,000	$196,611
Gifts and donations	$0	$6,000	$62,018
Rentals of facilities	$72,474	$74,931	$64,573
Net school generated funds	$487,871	$206,000	$282,647
Gains on disposal of capital assets	$10,599	$0	$0
Amortization of capital allocations	$728,156	$735,000	$732,320
Total Revenues	$36,076,123	$35,170,098	$35,879,767
EXPENSES			
Certificated salaries	$17,836,837	$17,570,043	$17,141,106
Certificated benefits	$1,952,577	$1,779,326	$1,952,086
Uncertificated salaries and wages	$6,560,203	$6,777,736	$6,329,573
Uncertificated benefits	$1,358,375	$1,092,370	$1,267,302
Services, contracts and supplies	$6,356,422	$6,682,158	$6,605,447
Net school generated funds	$487,871	$206,000	$282,647
Capital and debt services			
Amortization of capital assets			
Supported	$728,156	$595,000	$732,320
Unsupported	$443,313	$528,913	$421,243
Total Amortization of capital assets	$1,171,469	$1,123,913	$1,153,563
Interest on capital debt			
Supported	$431,997	$458,526	$489,239
Unsupported	$0	$0	$0
Total Interest on capital debt	$431,997	$458,526	$489,239
Other interest charges	$2,237	$0	$2,496
Losses on disposal of capital assets	$0	$0	$4,700
Total Expenses	$36,157,988	$35,690,072	$35,228,159
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($81,865)	($519,974)	$651,608
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($81,865)	($519,974)	$651,608

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2185

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($81,865)	$651,608
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($728,156)	($732,320)
Total amortization expense	$1,171,469	$1,153,563
Gains on disposal of capital assets	($10,599)	$0
Losses on sale of capital assets	$0	$4,700
Changes in accrued accounts:		
Accounts receivable	($790,371)	($513,083)
Prepaids and other current assets	$4,190	($74,690)
Long term accounts receivable	$0	($492,824)
Long term investments	$0	($211,502)
Payables and accrued liabilities	$506,596	$9,864
Deferred revenue	($274,300)	$0
Employee future benefits	($7,690)	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($210,726)	($204,684)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($2,013,128)	($170,209)
Equipment	($231,419)	($584,822)
Vehicles	($264,290)	($190,205)
Net proceeds from disposal of capital assets	$23,951	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($2,484,886)	($945,236)
C. FINANCING ACTIVITIES		
Capital allocations received	$77,293	$196,906
Issue of long term debt	$0	$0
Repayment of long term debt	($540,909)	($548,126)
Add back: supported portion	$540,909	$548,126
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$77,293	$196,906
Net sources (uses) of cash equivalents* during year	($2,618,319)	($953,014)
Cash Equivalents at the beginning of the year	$8,462,960	$9,415,974
Cash Equivalents at the end of the year	$5,844,641	$8,462,960

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 2185

STATEMENT OF CHANGES IN NET ASSETS

for the Year Ended August 31, 2004

(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$6,384,642	$1,821,202	$501,813	$4,061,627	$1,614,695	$0	$1,008,158	$76,527	$988,892	$0	$346,473	$26,882	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$6,384,642	$1,821,202	$501,813	$4,061,627	$1,614,695	$0	$1,008,158	$76,527	$988,892	$0	$346,473	$26,882	$0	$0
Surplus(def) of revenue over expenses	($81,865)		($81,865)											
Board funded capital transactions		$495,709	($495,709)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,171,469)	$1,171,469											
Amortization of capital allocations		$728,156	($728,156)											
Disposal of unsupported capital assets	$0	($13,351)	$13,351	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0				$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($957,901)	$957,901	$0		$792,149		$48,016		$117,736		$0	
Net transfers from operating reserves			$1,078,811	($1,078,811)	($1,078,811)		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$6,302,777	$1,860,247	$501,813	$3,940,717	$535,884	$0	$1,800,307	$76,527	$1,036,908	$0	$464,209	$26,882	$0	$0

School Jurisdiction Code: 2185

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$3,465,212	$8,599,022
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$77,293	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$540,909
Expended capital allocations - current year		($2,013,128)	$2,013,128
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$728,156
Balance at August 31, 2004		$1,529,377	$10,424,903

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1. AUTHORITY AND PURPOSE

The school jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The school jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

b) Capital Assets

Capital assets are recorded at cost, and are amortized over their estimated useful lives on a straight line basis, at the following rates:
Buildings - 2.5 to 10%
Equipment - 20%
Vehicles - 10 to 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

c) School Generated Funds

Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control/ownership of these funds rests with school jurisdiction officials or their appointee(s).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

e) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board, to ensure that certain programs such as kindergarten, lunch services and the raising of school generated funds are delivered. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

f) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the St. Paul Education Regional Division No. 1 does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $149,657 for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficit of $1,410 billion (2002 deficit of $444.9 million).

g) Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

h) Financial Instruments

The jurisdiction's financial instruments consist of cash and short term investments, marketable investments, accounts receivable and accounts payable, accrued liabilities and long term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

i) Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

j) Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. As at August 31, 2004, the recorded obligation is $84,154 (2003 $91,844). The total recovery recorded in the financial statements is $7,690.

k) Investments

Investments are recorded at the lower of cost and market value.

ST. PAUL EDUCATION REGIONAL DIVISION NO. 1
NOTES TO FINANCIAL STATEMENTS
For the year ended August 31, 2004

3. ACCOUNTS RECEIVABLE

	2004	2003
Provincial government grants	$ 1,447,860	$ 975,797
Federal government grants	485,000	484,704
GST recoverable	248,833	161,003
Other accounts receivable	339,725	109,543
	$ 2,521,418	$ 1,731,047

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value 2004	Net Book Value 2003
Land	$ 128,374	$ -	$ 128,374	$ 128,374
Buildings	28,371,145	14,271,648	14,099,497	12,708,719
Equipment	2,548,621	1,608,157	940,464	1,075,076
Vehicles	1,990,788	1,046,462	944,326	876,476
	$ 33,038,928	$ 16,926,267	$ 16,112,661	$ 14,788,645

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2004	2003
Province of Alberta	$ 316,449	$ 401,130
Federal Government	348,421	500,361
Other trade payables and accrued liabilities	1,608,391	865,174
	$ 2,273,261	$ 1,766,665

6. DEFERRED REVENUE

	2004	2003
		-
IMP/BQRP grants	$ 205,221	$ 143,688
Modernization block grants	-	141,112
O & M - one time grant	-	236,220
First Nations pilot project	55,440	-
Other revenues	64,935	78,876
	$ 325,596	$ 599,896

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdiction, but the related expenditure has not yet been made at year end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

	Opening	Grants received or receivable	Transfer to unamortized capital allocations	Closing
Two Hills School modernization	$ 3,252,651	$ -	$ 2,013,128	$ 1,239,523
Interest earned - available for for future projects	212,561	77,293	-	289,854
	$ 3,465,212	$ 77,293	$ 2,013,128	$ 1,529,377

8. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully supported debentured capital funds, as the principal is repaid.

	2004	2003
Consisting of:		
Opening balance	$ 8,599,022	$ 8,439,751
Transfer from deferred capital allocations - Note 7	2,013,128	343,465
Supported debenture and capital loan principal repayments	540,909	548,126
Less capital allocation for amortization	(728,156)	(732,320)
	$ 10,424,903	$ 8,599,022

9. LONG TERM DEBT

Debenture Debt - Supported

The debenture debt bears interest at rates varying between 7.875% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long term debt consists entirely of amounts payable by Alberta Finance on supported debt, therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

	2004	2003
Debentures	$ 3,827,508	$ 4,368,417
Less current portion of debt	528,776	540,909
Long term debt	$ 3,298,732	$ 3,827,508

School Year	Principal	Interest	Total
2004-2005	$ 528,776	$ 401,311	$ 930,087
2005-2006	519,240	345,324	864,564
2006-2007	500,073	290,411	790,484
2007-2008	476,067	237,560	713,627
2008-2009	458,138	187,201	645,339
2009 to maturity	1,345,214	409,839	1,755,053
	$ 3,827,508	$ 1,871,646	$ 5,699,154

10. OPERATING RESERVES

	Opening	Transfer to Reserves	Transfers From Reserves	Closing
Instruction	$ 1,614,695	$ -	$ (1,078,811)	$ 535,884
Administration	968,892	48,016	-	1,016,908
Election	20,000	-	-	20,000
Operations/Maintenance	958,158	792,149	-	1,750,307
Transportation	346,473	117,736	-	464,209
BQRP	50,000	-	-	50,000
	$ 3,958,218	$ 957,901	$ (1,078,811)	$ 3,837,308

11. CAPITAL RESERVES

	Opening	Transfer to Reserves	Transfers From Reserves	Closing
Equipment	$ 76,527	$ -	$ -	$ 76,527
Vehicles	26,882	-	-	26,882
Balance, end of period	$ 103,409	$ -	$ -	$ 103,409

12. SCHOOL GENERATED FUNDS

	2004	2003
Balance, beginning of year	$ 464,447	$ 494,738
Source of school generated funds (SGF)		
SGF for the year	901,254	967,416
Less cost of generating SGF	(728,238)	(802,527)
Less items capitalized at the district level	(2,810)	(65,027)
Donations received	220,940	152,494
Net SGF additions for the year	391,146	252,356
Net SGF available for discretionary spending	855,593	747,094
SGF expended for discretionary purposes	(487,871)	(282,647)
Balance, end of year	$ 367,722	$ 464,447

13. DISCLOSURE OF SALARY AND BENEFITS

	FTE	Salaries & Wages	Benefits & Allowances	Total	Reimbursed Expenses
Lorne Buryn - Chairman	1	$ 14,575	$ 4,064	$ 18,639	$ 3,072
Other Board Members:					
Terry Laboucane	1	13,225	898	14,123	3,560
Darrell Younghans	1	11,075	3,974	15,049	4,990
Shelley Dyck	1	14,750	3,173	17,923	10,285
Ron Rudkowsky	1	14,957	1,356	16,313	6,671
Rhea Looy	1	13,150	2,977	16,127	4,536
Ed Sosnowski	1	10,900	3,940	14,840	4,061
Doug Yeo (Superintendent)	1	111,739	8,458	120,197	14,373
Jean Champagne (Sec/Treas)	1	92,061	14,824	106,885	3,198
Salaries - Certificated	266.6	17,725,098	1,944,120	19,669,218	
Salaries - Uncertificated	310.0	6,375,510	1,323,168	7,698,678	
		$ 24,397,040	$ 3,310,952	$ 27,707,992	

14. COMMITMENT

Modernization project at Two Hills High School is in progress at year end. Government funding for the project has already been received to cover substantial costs of the modernization. Combined costs of the project is expected to be $5.5 Million and 100% of funding will come from government grants.

15. CONTINGENCIES

Contingent Assets

The jurisdiction is a member of a reciprocal insurance exchange called Genesis. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of the equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

Contingent Liabilities

The jurisdiction is a member of the Alberta Local Authorities Reciprocal Insurance Exchange (Genesis). Under the terms of membership, the jurisdiction could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

16. BUDGET AMOUNTS

The budget was prepared by the school jurisdiction and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

17. COMPARATIVE FIGURES

The budget 2004 and the actual 2003 comparative figures have been reclassified where necessary to conform to actual 2004 presentation.

18. INDEBTEDNESS

a) Line of Credit

The jurisdiction has negotiated a line of credit in the amount of $2,500,000 that bears interest at bank prime less 1/2%. This line of credit, which is secured by a borrowing bylaw and a security agreement, covers all revenue of the jurisdiction. There was no balance outstanding on the line of credit at August 31, 2004.

b) Credit Card

The jurisdiction has approved a combined credit card charge limit of $160,000. The credit cards are assigned to various individuals throughout the school jurisdiction and have varying credit limits. The balances are paid in full each month by the due date and no interest charges were incurred during the year. The combined credit card balance outstanding at August 31, 2004 was nil.

19. ECONOMIC DEPENDENCE

St. Paul Education Regional Division No. 1's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 2185

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration: Board Governance	Board & System Administration: System Administration	Board & System Administration: Total Board & System Admin	External Services
Alberta Learning allocations									
(1) Instruction block	$17,192,973	$800,474	$16,392,499						
(2) Support block	$3,358,287				$2,204,140			$1,154,147	
(3) Instruction & support block reallocations	$0	$7,876	($7,876)		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$489,000	$0	$489,000						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$992,000	$23,792	$955,583					$12,625	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$344,334	$0	$344,334		$0			$0	$0
(11) **Total Alberta Learning Revenue**	$22,376,594	$832,142	$18,173,540	$0	$2,204,140			$1,166,772	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$575,121			$575,121					
(13) Operations & Maintenance support	$2,780,770			$2,780,770					
(14) Operations & Maintenance support (One-Time)	$236,220			$236,220					
(15) **Total Alberta Infrastructure Revenue**	$3,592,111			$3,592,111					
(16) **Alberta Finance**	$431,997			$431,997					$0
(17) **Other - Government of Alberta**	$54,310	$0	$48,510	$5,800	$0			$0	$0
(18) **Federal Government and/or First Nations**	$7,634,965	$166,976	$6,360,352	$815,760	$22,402			$269,475	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0		$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$230,651	$13,497	$217,154						
(23) **Transportation fees**	$38,734				$38,734				
(24) **Other sales and services**	$225,977	$0	$176,798	$6,951	$4,634			$21,302	$16,294
(25) **Investment income**	$191,684	$5,409	$130,022	$30,055	$12,325			$7,873	
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$72,474		$0	$45,601	$26,873			$0	$0
(28) **Net school generated funds**	$487,871	$0	$487,871	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$10,599		$0	$0	$10,599			$0	$0
(30) **Amortization of capital allocations**	$728,156		$139,640	$588,516	$0				$0
(31) **TOTAL REVENUES**	$36,076,123	$1,018,024	$25,739,885	$5,516,791	$2,319,707			$1,465,422	$16,294
EXPENSES									
(32) **Certificated salaries**	$17,836,837	$516,631	$16,956,333				$363,873	$363,873	$0
(33) **Certificated benefits**	$1,952,577	$57,260	$1,863,363				$31,954	$31,954	
(34) **Uncertificated salaries and wages**	$6,560,203	$257,555	$4,093,685	$1,351,673	$361,848	$92,632	$387,670	$480,302	$15,140
(35) **Uncertificated benefits**	$1,358,375	$51,085	$898,618	$262,447	$49,257	$20,382	$75,432	$95,814	$1,154
(36) **SUB - TOTAL**	$27,707,992	$882,531	$23,811,999	$1,614,120	$411,105	$113,014	$858,929	$971,943	$16,294
(37) **Services, contracts & supplies**	$8,356,422	$78,600	$2,192,504	$2,049,568	$1,620,497	$81,743	$333,510	$415,253	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$487,871	$0	$487,871	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$728,156	$0	$139,640	$588,516	$0		$0	$0	$0
(41) Unsupported	$443,313	$0	$226,275	$38,223	$150,615	$0	$28,200	$28,200	$0
(42) Total Amortization	$1,171,469	$0	$365,915	$626,739	$150,615	$0	$28,200	$28,200	$0
Interest on capital debt									
(43) Supported	$431,997	$0	$0	$431,997	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2,237	$0	$0	$0	$0		$2,237	$2,237	$0
(46) **Losses on disposal of capital assets**	$0	$0	$0	$0		$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$36,157,988	$961,131	$26,858,289	$4,722,424	$2,182,217	$194,757	$1,222,876	$1,417,633	$16,294
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($81,865)	$56,893	($1,118,404)	$794,367	$137,490			$47,789	$0

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$14,228,078	$1,975,838	$41,066	$512,698	$120,203	$78,450	$0	$16,956,333
Certificated benefits	$1,591,212	$193,844	$6,563	$52,932	$13,178	$5,634	$0	$1,863,363
Uncertificated salaries and wages	$799,257	$990,955	$0	$141,289	$2,076,736	$85,448	$0	$4,093,685
Uncertificated benefits	$151,929	$218,057	$0	$28,448	$481,074	$19,110	$0	$898,618
SUB - TOTAL REMUNERATION	$16,770,476	$3,378,694	$47,629	$735,367	$2,691,191	$188,642	$0	$23,811,999
Services, contracts & supplies	$1,505,739	$391,533	$7,479	$25,757	$78,169	$183,827	$0	$2,192,504
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$487,871							$487,871
Amortization of capital assets								
Supported	$139,640	$0	$0					$139,640
Unsupported	$226,275	$0	$0					$226,275
Total Amortization	$365,915	$0	$0					$365,915
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$19,130,001	$3,770,227	$55,108	$761,124	$2,769,360	$372,469	$0	$26,858,289
FTE Certificated				9.0	1.9			
FTE Uncertificated				6.8	110.6			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$12,707,564	$1,644,664	$6,597,263	($7,876)	$20,941,615	$17,858,140	$3,083,475
School Admin & Instruction Support Expenses						$3,770,227	($3,770,227)
System Instruction Support Expenses						$55,108	($55,108)
Total Basic Instruction	$12,707,564	$1,644,664	$6,597,263	($7,876)	$20,941,615	$21,683,475	($741,860)
Sub-Programs & Initiatives							
Severely Disabled	$1,909,064	$125,000	$751,928		$2,785,992	$2,769,360	$16,632
English as a Second Language	$90,528				$90,528	$103,291	($12,763)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$254,275		$0		$254,275	$255,094	($819)
Institutional Programs	$367,794				$367,794	$624,686	($256,892)
Sparsity & Distance	$709,050				$709,050		$709,050
Growth & Density	$519				$519		$519
Teacher Assistants Program	$57,348				$57,348	$78,742	($21,394)
Early Literacy Initiative (K-2)	$108,676				$108,676	$156,847	($48,171)
Learning Resources Credit & Resources for the Classroom	$25,151	$19,253	$217,154		$261,558	$927,521	($665,963)
Technology Integration	$127,028		$0		$127,028	$223,771	($96,743)
French Language Program & Francisation (all jurisdictions)	$35,502		$0		$35,502	$35,502	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$3,684,935		$969,082		$4,798,270	$5,174,814	($376,544)
INSTRUCTION, GRADES 1-12	$16,392,499	$1,788,917	$7,566,345	($7,876)	$25,739,885	$26,858,289	($1,118,404)

School Jurisdiction Code: 2185

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$17,065,945
Support Block - Transportation	$2,204,140
SUBTOTAL	$19,270,085

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,780,770
Teacher Salary Enhancement	$992,000
Other Alberta Learning revenues (Describe) Learning classroom and cash injection grants	$344,334
Other - Government of Alberta (Excluding Alberta Finance)	$54,310
Federal government/First Nations	$7,634,965
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$225,977
Interest on investments	$191,684
Rentals of facilities	$72,474
Gains on disposal of capital assets	$10,599
Amortization of capital allocations	$728,156
School generated funds (Schedule E)	$901,254
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$33,206,608**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**5.19%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$1,723,489

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0

(If none of these considerations apply, leave the above cells blank)

MAXIMUM EXPENSE LIMIT	**$1,723,489**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,417,633
PLUS: transfers to Restricted - Operating (Board/System Administration)	$48,016
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,465,649

Maximum Expense Limit for Board & System Administration (Step 3)	$1,723,489
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$257,840

School Jurisdiction Code: 2185

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$464,447
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$901,254	
Less: SGF - related cost recoveries (Note 3)	$728,238	
- capitalized at the District level (Note 4)	$2,810	
Net Total	$170,206	
Plus: Donations Received (Note 5)	$220,940	
Equals: Net Additions to SGF		$391,146
Net SGF Available for discretionary spending		$855,593
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$487,871
Unexpended SGF - Closing Balance August 31, 2004		$367,722

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2185

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$890,356	$333,771	$0	$0	$127,546	$1,351,673		$1,351,673
Uncertificated benefits	$168,491	$69,286	$0	$0	$24,670	$262,447		$262,447
Sub-total Remuneration	$1,058,847	$403,057	$0	$0	$152,216	$1,614,120		$1,614,120
Contracted Services	$83,753	$192,561	$0	$557,993	$36,728	$871,035		$871,035
Supplies	$141,102	$94,115	$0	$0	$0	$235,217		$235,217
Electricity			$428,244			$428,244		$428,244
Natural Gas/Heating Fuel			$381,642			$381,642		$381,642
Sewer and Water			$32,766			$32,766		$32,766
Telecommunications			$17,676			$17,676		$17,676
Insurance					$82,988	$82,988		$82,988
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$588,516	$588,516
Unsupported						$38,223		$38,223
Total Amortization						$38,223	$588,516	$626,739
Interest on capital debt								
Supported							$431,997	$431,997
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets								$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,283,702	$689,733	$860,328	$557,993	$271,932	$3,701,911	$1,020,513	$4,722,424
SQUARE METRES								
School Buildings								61,013.0
Non School Buildings								1,404.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	28.5	6.0						
Contracted Services	2.0	n/a						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2185

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Lorne Buryn	1.0	$14,575	$4,064	$0			$18,639	$3,072
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Shelley Dyck	1.0	$14,750	$3,173	$0			$17,923	$10,285
Name	Terry LaBoucane	1.0	$13,225	$898	$0			$14,123	$3,560
Name	Rhea Looy	1.0	$13,150	$2,977	$0			$16,127	$4,536
Name	Ron Rudkowsky	1.0	$14,957	$1,356	$0			$16,313	$6,671
Name	Ed Sosnowski	1.0	$10,900	$3,940	$0			$14,840	$4,061
Name	Darrell Younghans	1.0	$11,075	$3,974	$0			$15,049	$4,990
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$92,632*	*$20,382*	*$0*			*$113,014*	*$37,175*
Superintendent	Douglas Yeo	1.0	$111,739	$8,458	$0	$0	$0	$120,197	$14,373
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Jean Champagne	1.0	$92,061	$14,824	$0	$0	$0	$106,885	$3,198
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		266.6	$17,725,098	$1,944,120	$0	$0	$0	$19,669,218	
Uncertificated Salaries & Wages		310.0	$6,375,510	$1,323,168	$0	$0	$0	$7,698,678	
TOTALS			$24,397,040	$3,310,952	$0	$0	$0	$27,707,992	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 0020

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38
Legal Name of School Jurisdiction

4906 - 49 Avenue, Leduc AB T9E 6W4
Mailing Address

780-986-2500 (p) 780-986-8620 (f)
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Fred Calkins	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Mr. Metro Huculak	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Mr. Jeff Redmond	"ORIGINAL SIGNED"
Name	Signature

24-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Auditors' Report

To the Board Of Trustees of
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38

We have audited the statement of financial position of the St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many non-profit organizations, the school jurisdiction derives revenues from certain fund raising activities, the completeness of which is not readily susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the school jurisdiction and we were not able to determine whether any adjustments might be necessary to school generated funds, excess of revenues over expenses, assets, liabilities and net assets.

In our opinion, except for the effect of adjustments, if any, which we may have determined to be necessary had we been able to audit the completeness of school generated funds, as discussed in the above paragraph, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Grant Thornton LLP

Chartered Accountants

Wetaskiwin, Canada
November 16, 2004

School Jurisdiction Code: 0020

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$2,923,851	$8,340,708
Accounts receivable (net after allowances)		$2,413,706	$1,556,238
Prepaid expenses		$101,239	$124,735
Other current assets		$116,882	$114,383
Total current assets		$5,555,678	$10,136,064
School generated assets		$165,507	$153,225
Trust assets		$20,438	$24,285
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$669,686	$669,686
Buildings	$31,687,953		
Less: accumulated amortization	($9,034,585)	$22,653,368	$17,231,968
Equipment	$1,411,571		
Less: accumulated amortization	($864,693)	$546,878	$241,060
Vehicles	$142,500		
Less: accumulated amortization	($101,338)	$41,162	$60,022
Total capital assets		$23,911,094	$18,202,736
TOTAL ASSETS		$29,652,717	$28,516,310
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,232,785	$1,873,007
Deferred revenue		$486,404	$498,662
Deferred capital allocations		$121,293	$5,721,923
Current portion of all long term debt		$645,425	$645,425
Total current liabilities		$3,485,907	$8,739,017
School generated liabilities		$165,507	$153,225
Trust liabilities		$20,438	$24,285
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$5,201,856	$5,847,281
Less: Current portion of supported debt		($645,425)	($645,425)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$17,631,210	$11,283,767
Total long term liabilities		$22,373,586	$16,663,133
TOTAL LIABILITIES		$25,859,493	$25,402,150
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$2,715,196	$2,042,472
Accumulated Operating Surplus (Deficit)		$2,715,196	$2,042,472
Investment in capital assets		$1,078,028	$1,071,688
Capital Reserves		$0	$0
Total Capital Funds		$1,078,028	$1,071,688
Total net assets		$3,793,224	$3,114,160
TOTAL LIABILITIES AND NET ASSETS		$29,652,717	$28,516,310

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 0020

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$12,574,343	$11,988,683	$12,264,710
Alberta Infrastructure	$1,541,192	$1,576,239	$1,754,376
Alberta Finance	$560,249	$596,624	$627,603
Other Government of Alberta	$12,000	$6,370	$4,667
Federal Government and/or First Nations	$1,125,663	$963,620	$1,066,739
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$31,700	$31,700	$48,200
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$105,865	$115,608	$136,761
Transportation fees	$14,375	$15,000	$15,703
Other sales and services	$14,066	$0	$24,845
Investment income	$60,861	$50,000	$66,247
Gifts and donations	$0	$0	($1,055)
Rentals of facilities	$3,795	$0	$4,583
Net school generated funds	$430,525	$335,000	$420,252
Gains on disposal of capital assets	$0	$0	$4,157
Amortization of capital allocations	$749,209	$661,515	$680,990
Total Revenues	$17,223,863	$16,340,359	$17,118,778
EXPENSES			
Certificated salaries	$8,363,175	$7,897,798	$8,327,592
Certificated benefits	$920,253	$947,736	$925,521
Uncertificated salaries and wages	$2,161,283	$1,998,946	$2,130,759
Uncertificated benefits	$430,572	$319,832	$408,924
Services, contracts and supplies	$2,800,798	$3,717,342	$2,915,017
Net school generated funds	$430,525	$335,000	$420,252
Capital and debt services			
Amortization of capital assets			
Supported	$749,209	$661,515	$680,990
Unsupported	$128,735	$70,712	$103,660
Total Amortization of capital assets	$877,944	$732,227	$784,650
Interest on capital debt			
Supported	$560,249	$596,624	$627,603
Unsupported	$0	$0	$0
Total Interest on capital debt	$560,249	$596,624	$627,603
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$16,544,799	$16,545,505	$16,540,318
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$679,064	($205,146)	$578,460
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$679,064	($205,146)	$578,460

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 0020

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$679,064	$578,460
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($749,209)	($680,990)
Total amortization expense	$877,944	$784,650
Gains on disposal of capital assets	$0	($4,157)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($657,468)	($102,648)
Prepaids and other current assets	$20,997	$26,596
Long term accounts receivable	$0	$229,969
Long term investments	$0	($571,582)
Payables and accrued liabilities	$359,778	$0
Deferred revenue	($12,258)	$0
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$318,848	$260,298
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($5,442,572)	($2,771,721)
Equipment	($499,051)	($161,173)
Vehicles	$0	($41,290)
Net proceeds from disposal of capital assets	$0	$4,157
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($5,941,623)	($2,970,027)
C. FINANCING ACTIVITIES		
Capital allocations received	$205,918	$6,754,716
Issue of long term debt	$0	$0
Repayment of long term debt	($645,425)	($645,425)
Add back: supported portion	$645,425	$645,425
Other (describe) Alberta Infrastructure - Transferred in Capital	$0	$0
Total sources (uses) from Financing activities	$205,918	$6,754,716
Net sources (uses) of cash equivalents* during year	($5,416,857)	$4,044,987
Cash Equivalents at the beginning of the year	$8,340,708	$4,295,721
Cash Equivalents at the end of the year	$2,923,851	$8,340,708

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 0020

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$3,114,160	$1,071,688	$0	$2,042,472	$1,823,677	$0	$0	$0	$196,983	$0	$21,812	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug 31, 2003	$3,114,160	$1,071,688	$0	$2,042,472	$1,823,677	$0	$0	$0	$196,983	$0	$21,812	$0	$0	$0
Surplus(def) of revenue over expenses	$679,064		$679,064											
Board funded capital transactions		$135,075	($135,075)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($877,944)	$877,944											
Amortization of capital allocations		$749,209	($749,209)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($672,724)	$672,724	$548,443		$77,942		$44,758		$1,581		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$3,793,224	$1,078,028	$0	$2,715,196	$2,372,120	$0	$77,942	$0	$241,741	$0	$23,393	$0	$0	$0

School Jurisdiction Code: 0020

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$5,721,923	$11,283,767
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$129,753	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$76,165	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$644,679
Current Year Debenture Principal Repayment			$645,425
Expended capital allocations - current year		($5,806,548)	$5,806,548
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$749,209
Balance at August 31, 2004		$121,293	$17,631,210

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

St. Thomas Aquinas Roman Catholic Separate Regional Division #38
Notes to the Financial Statements
August 31, 2004

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

As a not-for-profit organization under the Income Tax Act, the School Division is not subject to either federal or provincial income taxes.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

The St. Thomas Aquinas Roman Catholic Separate Regional Division #38 follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Donated capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives at the following rates:

Buildings	2.5% to 10%
Equipment and vehicles	20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

School generated funds

These are the funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions / Retirement Savings Plans

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the St. Thomas Aquinas Roman Catholic Separate Regional Division does not make pension contributions for certificated staff.

For uncertificated staff, the school jurisdiction contributes to employee's registered retirement savings plans, based upon a percentage of the employee's normal annual salary. The employer expense is recorded as a benefit cost in the period the obligation arises.

Inventories

Inventories are recorded at the lower of cost and net realizable value.

2. Summary of significant accounting policies (continued)

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

Financial instruments

The jurisdictions financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the Regional Division or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

3. Cash and cash equivalents

Cash and cash equivalents include balances internally and externally restricted as follows:

	2004	2003
Externally restricted		
Capital projects	**$ 121,293**	$ 5,721,923
Operations	**486,404**	498,622
Internally restricted		
Operating reserves	**2,316,154**	2,042,471
	$ 2,923,851	$ 8,263,016

St. Thomas Aquinas Roman Catholic Separate Regional Division #38
Notes to the Financial Statements
August 31, 2004

4. Accounts receivables

	2004	2003
Province of Alberta	$1,515,142	$ 647,909
Federal Government	520,486	470,238
Alberta Municipalities	308,871	325,649
Other	69,207	112,422
Total	$2,413,706	$1,556,238

5. Accounts payable and liabilities

	2004	2003
Province of Alberta	$ 638,612	$ 760,671
Federal Government	12,046	9,887
Other trade payables and accrued liabilities	1,582,127	1,102,449
Total	$ 2,232,785	$1,873,007

6. Deferred revenue

	2004	2003
Infrastructure maintenance program	$ 193,839	$ 207,793
Block modernization	253,365	246,119
Lease incentive	38,850	44,400
School fees	350	350
Total	$ 486,404	$ 498,662

7. Trust assets and liabilities

	2004	2003
Deferred Salary Leave Plan	$ -	$ 541
Kneival Trust Fund	20,438	23,744
Total	$ 20,438	$ 24,285

8. Long term debt

Debenture debt - supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture payments due over the next five years and beyond are as follows:

8. Long term debt (continued)

	Principal	Interest	Total
2005	$ 645,425	$ 528,516	**$ 1,173,941**
2006	617,425	460,409	**1,077,834**
2007	554,634	395,662	**950,296**
2008	532,839	338,449	**871,288**
2009	479,373	283,851	**763,225**
2010 to maturity	2,372,160	856,640	**3,228,800**
Total	$ 5,201,856	$ 2,863,527	**$ 8,065,384**

9. Deferred capital allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by jurisdictions, but the related expenditure has not yet been made at year end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

10. Unamortized capital allocations

Unamortized capital allocations (UCA) represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debenture capital funds, as the principal is repaid.

11. Commitments

Office premises

The Regional Division has entered into an agreement to lease its office premises until April 1, 2012. The annual rent payable is $48,500.

Buildings

The Regional Division received approval from Alberta Infrastructure to complete modernization of two schools as well as build two replacement schools. The cost of these modernizations/new constructions will be fully supported and is expected to be $18,199,149. To date they have spent $11,172,052.

St. Thomas Aquinas Roman Catholic Separate Regional Division #38 Notes to the Financial Statements

August 31, 2004

11. Commitments (continued)

Photocopiers

The Regional Division leases photocopiers under long term operating leases. The future minimum payments are as follows:

2005	**$ 36,966**
2006	**36,966**
2007	**36,966**
2008	**22,842**
2009	**11,421**

12. Contingencies

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

13. Economic dependence on related third party

The Regional Division received 85.2% (2003 – 85.6%) of its revenues pursuant to a funding arrangement with the Alberta Government.

14. Budget amounts

The budget was prepared by the Regional Division and approved by the Board of Trustees on June 18, 2003. It is presented for information purposes only and has not been audited.

15. Capital assets

The Regional Division was in the process of building a new school during the year, and this project was completed by year end. As this school was not yet available for use, no depreciation was taken on this capital asset in the year. The cost of this asset was $6,207,083 and this cost will be amortized starting in the year ending August 31, 2005.

School Jurisdiction Code: 0020

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$10,835,792	$381,609	$10,454,183						
(2) Support block	$969,449				$248,846			$720,603	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$265,200	$0	$265,200						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$494,000	$18,230	$475,770					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$9,902	$0	$9,902	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$12,574,343	$399,839	$11,205,055	$0	$248,846			$720,603	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$147,153			$147,153					
(13) Operations & Maintenance support	$1,394,039			$1,394,039					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1,541,192			$1,541,192					
(16) **Alberta Finance**	$560,249			$560,249					$0
(17) **Other - Government of Alberta**	$12,000	$0	$12,000	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,125,663	$22,513	$827,626	$123,823	$0			$151,701	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$31,700	$0	$31,700	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$105,865	$6,018	$99,847						
(23) **Transportation fees**	$14,375				$14,375				
(24) **Other sales and services**	$14,086	$0	$12,891	$1,195	$0			$0	$0
(25) **Investment income**	$60,861	$0	$0	$0	$0			$60,861	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$3,795		$0	$3,795	$0			$0	$0
(28) **Net school generated funds**	$430,525	$0	$430,525	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$749,209		$95,134	$654,075	$0				$0
(31) **TOTAL REVENUES**	$17,223,863	$428,370	$12,714,778	$2,884,329	$263,221			$933,165	$0
EXPENSES									
(32) **Certificated salaries**	$8,363,175	$238,803	$7,913,723				$210,649	$210,649	$0
(33) **Certificated benefits**	$920,253	$30,696	$871,420				$18,137	$18,137	$0
(34) **Uncertificated salaries and wages**	$2,161,283	$89,836	$1,351,527	$451,061	$0	$33,600	$235,259	$268,859	$0
(35) **Uncertificated benefits**	$430,572	$16,238	$256,241	$114,427	$0	$0	$43,666	$43,666	$0
(36) **SUB - TOTAL**	$11,875,283	$375,573	$10,392,911	$565,488	$0	$33,600	$507,711	$541,311	$0
(37) **Services, contracts & supplies**	$2,800,798	$32,000	$1,072,675	$1,003,619	$368,483	$79,146	$244,875	$324,021	$0
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$430,525	$0	$430,525	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$749,209	$4,757	$90,377	$654,075	$0		$0	$0	$0
(41) Unsupported	$128,735	$0	$82,704	$22,956	$0	$0	$23,075	$23,075	$0
(42) Total Amortization	$877,944	$4,757	$173,081	$677,031	$0	$0	$23,075	$23,075	$0
Interest on capital debt									
(43) Supported	$560,249	$0	$0	$560,249	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$16,544,799	$412,330	$12,069,192	$2,806,387	$368,483	$112,746	$775,661	$888,407	$0
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$679,064	$16,040	$645,586	$77,942	($105,262)			$44,758	$0

School Jurisdiction Code: 0020

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$6,715,305	$663,520	$0	$21,879	$314,717	$198,302	$0	$7,913,723
Certificated benefits	$755,615	$56,621	$0	$2,311	$33,243	$23,630	$0	$871,420
Uncertificated salaries and wages	$179,801	$488,136	$0	$42,289	$608,309	$32,992	$0	$1,351,527
Uncertificated benefits	$36,542	$90,696	$0	$8,017	$115,318	$5,668	$0	$256,241
SUB - TOTAL REMUNERATION	$7,687,263	$1,298,973	$0	$74,496	$1,071,587	$260,592	$0	$10,392,911
Services, contracts & supplies	$580,284	$465,812	$0	$420	$6,040	$20,119	$0	$1,072,675
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$430,525							$430,525
Amortization of capital assets								
Supported	$90,377	$0	$0					$90,377
Unsupported	$69,999	$12,705	$0					$82,704
Total Amortization	$160,376	$12,705	$0					$173,081
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$8,858,448	$1,777,490	$0	$74,916	$1,077,627	$280,711	$0	$12,069,192
FTE Certificated				0.3	4.7			
FTE Uncertificated				1.7	14.2			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$9,151,142	$750,872	$1,359,694	$0	$11,261,708	$8,621,780	$2,639,928
School Admin & Instruction Support Expenses						$1,777,490	($1,777,490)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$9,151,142	$750,872	$1,359,694	$0	$11,261,708	$10,399,270	$862,438
Sub-Programs & Initiatives							
Severely Disabled	$938,078	$0	$50,182		$988,260	$1,077,627	($89,367)
English as a Second Language	$8,096				$8,096	$8,096	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$50,339		$0		$50,339	$58,826	($8,487)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$21,175				$21,175		$21,175
Growth & Density	$12,984				$12,984		$12,984
Teacher Assistants Program	$45,496				$45,496	$45,496	$0
Early Literacy Initiative (K-2)	$75,040				$75,040	$86,915	($11,875)
Learning Resources Credit & Resources for the Classroom	$62,175	$0	$99,847		$162,022	$285,253	($123,231)
Technology Integration	$87,032		$0		$87,032	$106,518	($19,486)
French Language Program & Francisation (all jurisdictions)	$1,483		$0		$1,483	$48	$1,435
Home Education	$1,143		$0		$1,143	$1,143	$0
Total Sub-Programs & Initiatives	$1,303,041		$150,029		$1,453,070	$1,669,922	($216,852)
INSTRUCTION, GRADES 1-12	$10,454,183	$750,872	$1,509,723	$0	$12,714,778	$12,069,192	$645,586

School Jurisdiction Code: 0020

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):	
Instruction Block - Grades ECS -12 (excluding technology integration)	$10,748,760
Support Block - Transportation	$248,846
SUBTOTAL	$10,997,606
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,394,039
Teacher Salary Enhancement	$494,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$12,000
Federal government/First Nations	$1,125,663
Other Alberta school authorities	$0
Out of province local authorities	$31,700
Alberta municipalities	$0
Other sales and services	$14,086
Interest on investments	$60,861
Rentals of facilities	$3,795
Gains on disposal of capital assets	$0
Amortization of capital allocations	$749,209
School generated funds (Schedule E)	$669,785
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$15,552,744**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$933,165
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$933,165**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$888,407
PLUS: transfers to Restricted - Operating (Board/System Administration)	$44,758
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$933,165
Maximum Expense Limit for Board & System Administration (Step 3)	$933,165
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	$0

School Jurisdiction Code: 0020

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$153,225
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$669,785	
Less: SGF - related cost recoveries (Note 3)	$226,978	
- capitalized at the District level (Note 4)	$0	
Net Total	$442,807	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$442,807
Net SGF Available for discretionary spending		$596,032
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$430,525
Unexpended SGF - Closing Balance August 31, 2004		$165,507

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 0020

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$411,463	$680	$0	$0	$38,918	$451,061		$451,061
Uncertificated benefits	$102,239	$6,972	$0	$0	$5,216	$114,427		$114,427
Sub-total Remuneration	$513,702	$7,652	$0	$0	$44,134	$565,488		$565,488
Contracted Services	$97,529	$0	$0	$0	$0	$97,529		$97,529
Supplies	$71,988	$195,485	$0	$147,153	$0	$414,626		$414,626
Electricity			$233,254			$233,254		$233,254
Natural Gas/Heating Fuel			$159,331			$159,331		$159,331
Sewer and Water			$22,121			$22,121		$22,121
Telecommunications			$1,316			$1,316		$1,316
Insurance					$75,442	$75,442		$75,442
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$654,075	$654,075
Unsupported						$22,956		$22,956
Total Amortization						$22,956	$654,075	$677,031
Interest on capital debt								
Supported							$560,249	$560,249
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$683,219	$203,137	$416,022	$147,153	$119,576	$1,592,063	$1,214,324	$2,806,387
SQUARE METRES								
School Buildings								351,486.0
Non School Buildings								2,000.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 0020

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Fred Calkins	1.0	$3,750	$0	$0			$3,750	$8,897
Name	Glenn Tompolski	1.0	$4,650	$0	$0			$4,650	$8,905
Other Board Members:									
Name	Linda Webber	1.0	$3,600	$0	$0			$3,600	$6,093
Name	Dan Aloisio	1.0	$3,600	$0	$0			$3,600	$7,040
Name	Michael Wyeth	1.0	$3,600	$0	$0			$3,600	$6,861
Name	George Ollenberger	1.0	$3,600	$0	$0			$3,600	$7,051
Name	Charlie Swap	1.0	$3,600	$0	$0			$3,600	$6,623
Name	James McQueen	1.0	$3,600	$0	$0			$3,600	$4,164
Name	Sandra Lyon	1.0	$3,600	$0	$0			$3,600	$4,294
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.0*	*$33,600*	*$0*	*$0*			*$33,600*	*$59,928*
Superintendent	Metro Huculak	1.0	$115,000	$9,912	$0	$0	$0	$124,912	$19,275
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Jeff Redmond	1.0	$83,000	$15,464	$0	$0	$0	$98,464	$6,684
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		123.5	$8,245,742	$910,341	$0	$0	$0	$9,156,083	
Uncertificated Salaries & Wages		83.8	$2,044,683	$415,108	$0	$0	$0	$2,459,791	
TOTALS			**$10,522,025**	**$1,350,825**	**$0**	**$0**	**$0**	**$11,872,850**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 1110

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Sturgeon School Division No. 24
Legal Name of School Jurisdiction

9820 - 104 Street, Morinville, AB T8R 1N8
Mailing Address

Telephone - 780-939-4341 Fax - 780-939-5520
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Sturgeon School Division No. 24 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Name	Signature
Terry Jewell	"ORIGINAL SIGNED"

SUPERINTENDENT

Name	Signature
Evan Miller	"ORIGINAL SIGNED"

SECRETARY TREASURER OR TREASURER

Name	Signature
Karen Parasynchuk	"ORIGINAL SIGNED"

24-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

Hawkings Epp Dumont LLP
Chartered Accountants

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AUDITORS' REPORT

To the Board of Trustees
Sturgeon School Division No. 24

We have audited the statement of financial position of Sturgeon School Division No. 24 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an audit opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hawkings Epp Dumont LLP

Edmonton, Alberta
October 25, 2004

HAWKINGS EPP DUMONT LLP
Chartered Accountants

Founding Partners
F.J. Bruha, CA (Deceased)
A.W. Whelan, CA (Retired)

Stony Plain Office
Phone (780) 963-2727
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*Professional Corporation

School Jurisdiction Code: 1110

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$2,322,715	$3,526,129
Accounts receivable (net after allowances)		$1,371,742	$1,160,982
Prepaid expenses		$256,570	$495,980
Other current assets		$25,144	$0
Total current assets		$3,976,171	$5,183,091
School generated assets		$298,110	$295,831
Trust assets		$38,277	$39,035
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$1,424,541	$1,424,541
Buildings	$46,098,446		
Less: accumulated amortization	($21,619,737)	$24,478,709	$25,563,699
Equipment	$2,696,987		
Less: accumulated amortization	($1,316,930)	$1,380,057	$1,442,672
Vehicles	$814,946		
Less: accumulated amortization	($439,721)	$375,225	$347,577
Total capital assets		$27,658,532	$28,778,489
TOTAL ASSETS		$31,971,089	$34,296,446
LIABILITIES			
Current liabilities			
Bank indebtedness			$0
Accounts payable and accrued liabilities		$977,985	$754,291
Deferred revenue		$232,365	$473,816
Deferred capital allocations		$205,329	$220,024
Current portion of all long term debt		$725,618	$860,285
Total current liabilities		$2,141,297	$2,308,416
School generated liabilities		$298,110	$295,831
Trust liabilities		$38,277	$39,035
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$3,485,843	$4,336,428
	Less: Current portion of supported debt	($715,218)	($850,585)
Unsupported:	Debentures and Capital Loans	$60,007	$69,694
	Capital Leases		$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	($10,400)	($9,700)
Unamortized capital allocations		$20,911,880	$21,428,841
Total long term liabilities		$24,068,499	$25,309,544
TOTAL LIABILITIES		$26,209,796	$27,617,960
NET ASSETS			
Unrestricted net assets		$273,827	$293,870
Operating Reserves		$1,943,788	$3,098,213
Accumulated Operating Surplus (Deficit)		$2,217,615	$3,392,083
Investment in capital assets		$3,200,800	$2,943,526
Capital Reserves		$342,877	$342,877
Total Capital Funds		$3,543,677	$3,286,403
Total net assets		$5,761,292	$6,678,486
TOTAL LIABILITIES AND NET ASSETS		$31,971,089	$34,296,446

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1110

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$32,268,729	$32,420,021	$31,623,401
Alberta Infrastructure	$3,474,669	$3,224,963	$3,370,655
Alberta Finance	$405,288	$405,288	$505,108
Other Government of Alberta	$201,926	$255,700	$235,331
Federal Government and/or First Nations	$344,145	$337,348	$354,188
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$251,683	$275,618	$273,619
Transportation fees	$0	$0	$0
Other sales and services	$513,620	$118,500	$430,428
Investment income	$104,885	$108,000	$148,259
Gifts and donations	$0	$0	$17,252
Rentals of facilities	$0	$0	$0
Net school generated funds	$68,175	$254,638	$52,890
Gains on disposal of capital assets	$16,452	$0	$4,900
Amortization of capital allocations	$1,461,303	$1,219,678	$1,216,267
Total Revenues	$39,110,874	$38,619,754	$38,232,298
EXPENSES			
Certificated salaries	$19,175,600	$18,534,168	$18,333,645
Certificated benefits	$1,948,835	$1,870,877	$1,860,096
Uncertificated salaries and wages	$7,069,893	$6,104,230	$6,672,364
Uncertificated benefits	$1,469,181	$1,554,531	$1,326,481
Services, contracts and supplies	$8,092,813	$9,322,663	$7,820,035
Net school generated funds	$68,175	$254,638	$52,890
Capital and debt services			
Amortization of capital assets			
Supported	$1,461,303	$1,219,678	$1,216,267
Unsupported	$336,980	$120,696	$250,061
Total Amortization of capital assets	$1,798,283	$1,340,374	$1,466,328
Interest on capital debt			
Supported	$405,288	$405,288	$505,108
Unsupported	$0	$0	$0
Total Interest on capital debt	$405,288	$405,288	$505,108
Other interest charges	$0	$0	$0
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$40,028,068	$39,386,769	$38,036,947
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($917,194)	($767,015)	$195,351
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($917,194)	($767,015)	$195,351

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1110

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003 3526129
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($917,194)	$195,352
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,461,303)	($1,216,267)
Total amortization expense	$1,798,283	$1,466,328
Gains on disposal of capital assets	($16,452)	($4,900)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($210,760)	($498,515)
Prepaids and other current assets	$214,266	($133,967)
Long term accounts receivable	$0	
Long term investments	$0	
Payables and accrued liabilities	$223,694	($1,512,269)
Deferred revenue	($241,451)	($353,303)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($610,917)	($2,057,541)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($206,241)	($2,322,474)
Equipment	($380,640)	($681,037)
Vehicles	($98,992)	$0
Net proceeds from disposal of capital assets	$24,000	$4,932
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($661,873)	($2,998,579)
C. FINANCING ACTIVITIES		
Capital allocations received	$79,062	$569,848
Issue of long term debt	$0	$0
Repayment of long term debt	($860,272)	($1,091,120)
Add back: supported portion	$850,585	$1,082,389
Other (describe)	$0	($32)
Total sources (uses) from Financing activities	$69,375	$561,085
Net sources (uses) of cash equivalents* during year	($1,203,414)	($4,495,035)
Cash Equivalents at the beginning of the year	$3,526,129	$8,021,164
Cash Equivalents at the end of the year	$2,322,715	$3,526,129

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1110

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$6,678,486	$2,943,526	$293,870	$3,441,090	$2,711,405	$5,134	$207,891	$333,024	$200,170		($21,253)	$4,719	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$6,678,486	$2,943,526	$293,870	$3,441,090	$2,711,405	$5,134	$207,891	$333,024	$200,170	$0	($21,253)	$4,719	$0	$0
Surplus(def) of revenue over expenses	($917,194)		($917,194)											
Board funded capital transactions		$584,567	($584,567)	$0		$0	$0	$0		$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,798,283)	$1,798,283											
Amortization of capital allocations		$1,461,303	($1,461,303)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$9,687	($9,687)											
Net transfers to operating reserves			($21,253)	$21,253	$0		$0		$0		$21,253		$0	
Net transfers from operating reserves			$1,175,678	($1,175,678)	($950,552)		($207,891)		($17,235)		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$5,761,292	$3,200,800	$273,827	$2,286,665	$1,760,853	$5,134	$0	$333,024	$182,935	$0	$0	$4,719	$0	$0

School Jurisdiction Code: 1110

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$220,024	$21,428,841
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$78,977	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$85	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$850,585
Expended capital allocations - current year		($93,757)	$93,757
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,461,303
Balance at August 31, 2004		$205,329	$20,911,880

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

STURGEON SCHOOL DIVISION NO. 24

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2004

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The School Division receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Division is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

(a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

(b) Property and Equipment

Property and equipment are reflected in the accounts at cost, and are amortized over their estimated useful lives on a straight-line basis, at the following annual rates:

Buildings	15 - 40 years
Equipment	5 and 10 years
Vehicles	5 and 10 years

Only property and equipment with costs in excess of $5,000 are capitalized. Any capital funding received for asset additions is amortized over the same period as the related asset (see Note 10).

(c) School Generated Funds

School generated funds are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Vacation Pay

Vacation pay is accrued in the period in which the benefit is earned by the employee.

(e) Pensions

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The Division participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $384,195 (2003 - $308,991) during the fiscal year.

At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Division does not make pension contributions for certificated staff.

(f) Inventories

Inventories are valued at the lesser of cost or net realizable value.

(g) Prepaid Expenses

Certain expenses incurred and paid for before the close of the fiscal year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses.

(h) Contributed Services

Volunteers contribute a considerable number of hours per year to various schools to ensure that certain programs, such as kindergarten, lunch services and the raising of school generated funds, are delivered. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

(i) Financial Instruments

The School Division's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the School Division is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees' Act.

3. ACCOUNTS RECEIVABLE

	2004	2003
Alberta Infrastructure	$ 911,047	$ 349,794
Alberta Finance	202,392	254,716
Alberta Learning	77,854	369,279
Other	67,704	51,176
First Nations	62,305	61,135
Federal government	46,331	69,839
Other Province of Alberta	4,109	5,043
	$ 1,371,742	$ 1,160,982

4. TRUST ASSETS AND LIABILITIES

	2004	2003
Scholarship Trusts	$ 38,277	$ 39,035

(a) Scholarship Trusts

The School Division administers two separate trust funds which are used to pay the Frank Robinson scholarship and Halina Dudzic awards.

The School Division also holds trust funds on behalf of the Sturgeon School Division Bursary Foundation and is responsible for paying an annual bursary of $600.

(b) Deferred Salary Leave Plan

During 1989, the School Division established a Deferred Salary Leave Plan, whereby employees are able, at their option, to defer a portion of their salary for a maximum period of six years. The funds are held in trust and invested in a savings trust account by the School Division.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2004	2003
Other trade payables and accrued liabilities	$ 656,883	$ 483,952
Alberta Finance	202,392	254,716
Federal government	108,661	-
Alberta Municipalities	5,856	4,226
Other Alberta School Jurisdictions	4,118	11,397
Other Province of Alberta	75	-
	$ 977,985	$ 754,291

6. DEFERRED REVENUE

	2004	2003
Other	$ 134,343	$ 156,488
Alberta Initiative for School Improvement	76,057	-
Material fees	14,083	14,077
LRDC credit	7,882	20,839
Infrastructure Maintenance Program (formerly BQRP)	-	229,512
2002-03 budget one-time transportation grant	-	52,900
	$ 232,365	$ 473,816

7. DEFERRED CAPITAL ALLOCATIONS

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Division, but the related expenditure has not been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

8. LONG-TERM DEBT

Principle payments due over the next five years and thereafter are as follows:

	Debentures	Capital Loan	Total
2005	$ 715,218	$ 10,400	$ 725,618
2006	625,305	11,100	636,405
2007	480,319	11,900	492,219
2008	312,680	12,800	325,480
2009	227,482	13,807	241,289
Thereafter	1,124,839	-	1,124,839
	$ 3,485,843	$ 60,007	$ 3,545,850

The debenture debt bears interest at rates ranging from 7.5% to 12.0% and is fully supported by Alberta Finance.

9. UNAMORTIZED CAPITAL ALLOCATIONS

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable property and equipment to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

10. COMMITMENTS

(a) Equipment Leases

The School Division is committed to the following payments for equipment operating leases over the next five years:

2005	$ 165,274
2006	165,274
2007	151,700
2008	13,100
	$ 495,348

(b) Building Leases

The Division has entered into three leases for space to operate its Learning Centres. The annual lease payments over the next five years are as follows:

2005	$ 65,049
2006	65,049
2007	35,349
2008	12,249
2009	12,249
	$ 189,945

11. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

The School Division's primary source of income is from the Alberta government. The Division's ability to continue viable operations is dependent on this funding.

12. CONTINGENCIES

(a) Contingent Liability

On December 15, 2000, the School Division entered into an agreement with the Minister of National Defence. Under the terms of the agreement, the School Division leases land, on which the new Guthrie School is located, from the Minister in the amount of $1.00 per annum for a period of twenty-five years commencing on September 1, 2000 and continuing until August 31, 2025. The School Division has the option to renew the lease for a further twenty-five year term under the same terms and conditions provided the School Division notifies the Minister at least twelve months prior to the expiry of the present lease term of its intention to exercise this option.

Additionally, upon termination of the lease by either the School Division or the Minister, the School Division shall, at the choice of the Minister either, convey ownership of the new Guthrie School to the Minister for nominal consideration of $1.00, or demolish the school at its sole expense.

(b) Contingent Asset

The School Division is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements, as the value of equity is subject to liability claims and is not an asset that the School Division can liquidate.

13. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 1110

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$25,106,601	$2,003,628	$23,102,973						
(2) Support block	$5,001,934				$3,480,132			$1,521,802	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$485,063	$0	$485,063						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,022,000	$0	$1,022,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$653,131	$0	$653,131	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$32,268,729	$2,003,628	$25,263,167	$0	$3,480,132			$1,521,802	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$608,584			$608,584					
(13) Operations & Maintenance support	$2,866,085			$2,866,085					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$3,474,669			$3,474,669					
(16) **Alberta Finance**	$405,288			$405,288					$0
(17) **Other - Government of Alberta**	$201,926	$140,698	$58,120	$3,108	$0			$0	$0
(18) **Federal Government and/or First Nations**	$344,145	$0	$289,439	$34,944	$0			$19,762	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$251,683	$0	$251,683						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$513,620	$79,782	$261,336	$528	$5,242			$4,814	$161,918
(25) **Investment income**	$104,885	$0	$88,486	$11,134	$0			$5,265	$0
(26) **Gifts and donations**	$0	$0	$0	$0	$0				$0
(27) **Rentals of facilities**	$0		$0	$0	$0			$0	$0
(28) **Net school generated funds**	$68,175	$0	$68,175	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$16,452		$0	$10,857	$5,595			$0	$0
(30) **Amortization of capital allocations**	$1,461,303		$0	$1,455,302	$6,001				$0
(31) **TOTAL REVENUES**	$39,110,874	$2,224,108	$26,280,406	$5,395,830	$3,496,970			$1,551,643	$161,918
EXPENSES									
(32) **Certificated salaries**	$19,175,600	$255,486	$18,605,766				$232,000	$232,000	$82,348
(33) **Certificated benefits**	$1,948,835	$27,392	$1,901,234				$17,220	$17,220	$2,989
(34) **Uncertificated salaries and wages**	$7,069,693	$830,276	$3,823,424	$1,561,629	$212,305	$113,751	$470,726	$584,477	$57,782
(35) **Uncertificated benefits**	$1,469,181	$170,308	$838,086	$336,154	$29,944	$1,870	$82,200	$84,070	$10,619
(36) **SUB - TOTAL**	$29,663,509	$1,283,462	$25,168,510	$1,897,783	$242,249	$115,621	$802,146	$917,767	$153,738
(37) **Services, contracts & supplies**	$8,092,813	$271,703	$2,382,264	$1,793,963	$3,140,444	$86,281	$409,978	$496,259	$8,180
(38) **Cost recoveries & transfers (must balance to zero)**	$0		$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$68,175	$0	$68,175	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,461,303	$0	$0	$1,455,302	$6,001		$0	$0	$0
(41) Unsupported	$336,960	$0	$249,130	$29,913	$47,071	$0	$10,866	$10,866	$0
(42) Total Amortization	$1,798,283	$0	$249,130	$1,485,215	$53,072	$0	$10,866	$10,866	$0
Interest on capital debt									
(43) Supported	$405,288	$0	$0	$405,288			$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$40,028,068	$1,555,165	$27,868,079	$5,582,249	$3,435,765	$201,902	$1,222,990	$1,424,892	$161,918
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($917,194)	$668,943	($1,587,673)	($186,419)	$61,205			$126,751	$0

School Jurisdiction Code: 1110

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$14,435,219	$1,662,596	$614,442	$603,012	$904,518	$385,979	$0	$18,605,766
Certificated benefits	$1,513,048	$148,470	$82,297	$62,529	$93,794	$1,096	$0	$1,901,234
Uncertificated salaries and wages	$1,654,041	$53,459	$372,653	$347,680	$1,390,718	$4,873	$0	$3,823,424
Uncertificated benefits	$405,809	$12,314	$73,898	$69,209	$276,836	$20	$0	$838,086
SUB - TOTAL REMUNERATION	$18,008,117	$1,876,839	$1,143,290	$1,082,430	$2,665,866	$391,968	$0	$25,168,510
Services, contracts & supplies	$1,429,037	$173,564	$353,623	$60,727	$272,218	$93,095	$0	$2,382,264
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$68,175							$68,175
Amortization of capital assets								
Supported		$0	$0					$0
Unsupported	$249,130	$0	$0					$249,130
Total Amortization	$249,130	$0	$0					$249,130
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$19,754,459	$2,050,403	$1,496,913	$1,143,157	$2,938,084	$485,063	$0	$27,868,079
FTE Certificated				9.0	13.2			
FTE Uncertificated				17.0	68.0			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$19,272,426	$1,837,365	$724,383	$0	$21,834,174	$20,212,595	$1,621,579
School Admin & Instruction Support Expenses						$2,050,403	($2,050,403)
System Instruction Support Expenses						$1,496,913	($1,496,913)
Total Basic Instruction	$19,272,426	$1,837,365	$724,383	$0	$21,834,174	$23,759,911	($1,925,737)
Sub-Programs & Initiatives							
Severely Disabled	$2,864,560	$157,095	$41,173		$3,062,828	$2,938,084	$124,744
English as a Second Language	$56,672				$56,672	$56,672	$0
Enhanced Opportunities	$21,000				$21,000	$21,000	$0
First Nations, Metis, and Inuit Education	$49,412		$0		$49,412	$49,412	$0
Institutional Programs	$310,568				$310,568	$310,568	$0
Sparsity & Distance	$53,773				$53,773		$53,773
Growth & Density	$0				$0		$0
Teacher Assistants Program	$82,198				$82,198	$82,198	$0
Early Literacy Initiative (K-2)	$147,831				$147,831	$147,831	$0
Learning Resources Credit & Resources for the Classroom	$46,369	$165,734	$251,683		$463,786	$298,052	$165,734
Technology Integration	$184,448		$0		$184,448	$184,448	$0
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$6,187	($6,187)
Home Education	$13,716		$0		$13,716	$13,716	$0
Total Sub-Programs & Initiatives	$3,830,547		$292,856		$4,446,232	$4,108,168	$338,064
INSTRUCTION, GRADES 1-12	$23,102,973	$2,160,194	$1,017,239	$0	$26,280,406	$27,868,079	($1,587,673)

School Jurisdiction Code: 1110

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$24,922,153
Support Block - Transportation	$3,480,132
SUBTOTAL	$28,402,285

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,866,085
Teacher Salary Enhancement	$1,022,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$201,926
Federal government/First Nations	$344,145
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$513,620
Interest on investments	$104,885
Rentals of facilities	$0
Gains on disposal of capital assets	$16,452
Amortization of capital allocations	$1,461,303
School generated funds (Schedule E)	$1,078,634
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$36,011,334**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.70%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)	$1,692,533

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,692,533**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,424,892
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$17,235
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,407,657
Maximum Expense Limit for Board & System Administration (Step 3)	$1,692,533
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$284,876

School Jurisdiction Code: 1110

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$295,831
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,078,634	
Less: SGF - related cost recoveries (Note 3)	$1,042,100	
- capitalized at the District level (Note 4)	$0	
Net Total	$36,534	
Plus: Donations Received (Note 5)	$33,920	
Equals: Net Additions to SGF		$70,454
Net SGF Available for discretionary spending		$366,285
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$68,175
Unexpended SGF - Closing Balance August 31, 2004		$298,110

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1110

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,134,910	$313,675	$0	$0	$113,044	$1,561,629		$1,561,629
Uncertificated benefits	$242,583	$65,748	$0	$0	$27,823	$336,154		$336,154
Sub-total Remuneration	$1,377,492	$379,423	$0	$0	$140,867	$1,897,783		$1,897,783
Contracted Services	$1,054	$56,582	$0	$608,584	$1,874	$668,094		$668,094
Supplies	$92,474	$41,237	$0	$0	$18,502	$152,213		$152,213
Electricity			$397,434			$397,434		$397,434
Natural Gas/Heating Fuel			$385,961			$385,961		$385,961
Sewer and Water			$50,173			$50,173		$50,173
Telecommunications			$2,039			$2,039		$2,039
Insurance					$138,049	$138,049		$138,049
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,455,302	$1,455,302
Unsupported						$29,913		$29,913
Total Amortization						$29,913	$1,455,302	$1,485,215
Interest on capital debt								
Supported							$405,288	$405,288
Unsupported						$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,471,021	$477,242	$835,607	$608,584	$299,293	$3,721,660	$1,860,590	$5,582,249
SQUARE METRES								
School Buildings								55,596.2
Non School Buildings								1,481.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	34.8	6.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications.
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1110

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Gail Horner	1.0	$18,235	$429	$0			$18,664	$7,061
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Careen Fundytus	1.0	$15,286	$331	$0			$15,617	$1,299
Name	Terry Jewell	1.0	$16,086	$359	$0			$16,445	$4,123
Name	Robert Milligan	1.0	$16,286	$0	$0			$16,286	$3,231
Name	~~Fred Hyrnchuk~~	1.0	$18,686	$443	$0			$19,129	$5,574
Name	Therese Gervais	1.0	$14,586		$0			$14,586	$3,509
Name Micky Ross Car	Micky Ross Carlton	1.0	$14,586	$308	$0			$14,894	$490
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$113,751*	*$1,870*	*$0*			*$115,621*	*$25,286*
Superintendent		1.0	$121,000	$6,020	$0	$0	$0	$127,020	$15,107
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$3,107
Secretary/Treasurer		1.0	$101,346	$8,387	$0	$0	$0	$109,733	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		272.1	$19,054,599	$1,942,816	$0	$0	$0	$20,997,415	
Uncertificated Salaries & Wages		232.4	$6,854,795	$1,458,925	$0	$0	$0	$8,313,720	
TOTALS			$26,245,491	$3,418,018	$0	$0	$0	$29,663,509	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code: 12

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Suzuki Charter School Society
Legal Name of School Jurisdiction

7211 - 96A Avenue, Edmonton, Alberta
Mailing Address

phone 468-2598 fax 463-8630
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Suzuki Charter School Society (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

David Onyschuk	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Bruce McIntosh	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Heather Christison-Lopes	"ORIGINAL SIGNED"
Name	Signature

Board-approved Release Date

c.c. ALBERTA LEARNING, School Reporting Branch,
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

TOBER HEMBLING
Chartered Accountants

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AUDITORS' REPORT

To the Board of Directors
Suzuki Charter School Society

We have audited the statement of financial position of the Suzuki Charter School Society as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the charter school's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the charter school as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Tober Hembling

Chartered Accountants

Edmonton, Alberta

October 27, 2004

School Jurisdiction Code: 12

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$84,827	$29,690
Accounts receivable (net after allowances)		$281,529	$43,165
Prepaid expenses		$10,414	$2,058
Other current assets		$0	$0
Total current assets		$376,770	$74,913
School generated assets		$27,995	$119,589
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$462,558		
Less: accumulated amortization	($20,273)	$442,285	$90,269
Equipment	$99,765		
Less: accumulated amortization	($69,429)	$30,336	$45,815
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$472,621	$136,084
TOTAL ASSETS		$877,386	$330,586
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$299,683	$36,095
Deferred revenue		$44,262	$9,644
Deferred capital allocations		$439	$0
Current portion of all long term debt		$0	$38,605
Total current liabilities		$344,384	$84,344
School generated liabilities		$27,995	$119,589
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$38,605
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	($38,605)
Unamortized capital allocations		$385,761	$0
Total long term liabilities		$413,756	$119,589
TOTAL LIABILITIES		$758,140	$203,933
NET ASSETS			
Unrestricted net assets		$32,385	$29,173
Operating Reserves		$0	$0
Accumulated Operating Surplus (Deficit)		$32,385	$29,173
Investment in capital assets		$86,861	$97,480
Capital Reserves		$0	$0
Total Capital Funds		$86,861	$97,480
Total net assets		$119,246	$126,653
TOTAL LIABILITIES AND NET ASSETS		$877,386	$330,586

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 12

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004 Unaudited	Actual 2003
REVENUES			
Alberta Learning	$703,911	$686,903	$651,771
Alberta Infrastructure	$194,769	$206,160	$204,280
Alberta Finance	$0	$0	$0
Other Government of Alberta	$1,800	$0	$0
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$9,100	$8,500	$9,422
Transportation fees	$0	$0	$0
Other sales and services	$49,634	$14,000	$25,745
Investment income	$385	$0	$304
Gifts and donations	$350	$0	$700
Rentals of facilities	$36,662	$0	$39,679
Net school generated funds	$98,860	$111,187	$13,078
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$1,095,471	$1,026,750	$944,979
EXPENSES			
Certificated salaries	$447,084	$423,646	$418,745
Certificated benefits	$50,929	$45,630	$47,003
Uncertificated salaries and wages	$124,825	$169,671	$131,500
Uncertificated benefits	$21,816	$15,210	$22,417
Services, contracts and supplies	$339,247	$261,406	$280,833
Net school generated funds	$98,860	$111,187	$13,078
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$18,552	$0	$19,779
Total Amortization of capital assets	$18,552	$0	$19,779
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$1,017	$0	$18,638
Total interest on capital debt	$1,017	$0	$18,638
Other interest charges	$548	$0	$808
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$1,102,878	$1,026,750	$952,801
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($7,407)	$0	($7,822)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($7,407)	$0	($7,822)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 12

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($7,407)	($7,822)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$18,552	$19,779
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($238,364)	($15,454)
Prepaids and other current assets	($8,356)	$1,303
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	$263,588	$9,323
Deferred revenue	$34,618	$1,148
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$62,631	$8,277
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($385,761)	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$30,672	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($355,089)	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$386,200	$0
Issue of long term debt	$0	$0
Repayment of long term debt	($38,605)	($12,482)
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$347,595	($12,482)
Net sources (uses) of cash equivalents* during year	$55,137	($4,205)
Cash Equivalents at the beginning of the year	$29,690	$33,895
Cash Equivalents at the end of the year	$84,827	$29,690

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 12

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$126,653	$97,480	$29,173	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$126,653	$97,480	$29,173	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Surplus(def) of revenue over expenses	($7,407)		($7,407)											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non amortizable assets	$0	$0												
Amortization of capital assets		($18,552)	$18,552											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	($30,672)	$30,672	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$38,605	($38,605)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$119,246	$86,861	$32,385	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

School Jurisdiction Code: 12

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)

for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$386,200	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		($385,761)	$385,761
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2004		$439	$385,761

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

SUZUKI CHARTER SCHOOL SOCIETY

Edmonton, Alberta

FINANCIAL STATEMENTS

August 31, 2004

SUZUKI CHARTER SCHOOL SOCIETY

Notes to Financial Statements
August 31, 2004

1. Authority and Purpose

The Society delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The Society receives block allocations for instruction and support under Regulation 77/2003. The regulation limits funding and expenses for administration. It permits the Society, within specified limits, to reallocate funding between the instruction and support blocks.

2. Significant Accounting Policies

a) Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

b) School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level.

c) Contributed Services

Volunteers assist the Society in carrying out certain activities. Because of the difficulty of determining their fair value and of the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

d) Capital Assets

Capital assets are amortized commencing in the fiscal year following the year of acquisition on a straight line basis over the estimated useful life of the asset as follows

Buildings	25 years
Computer equipment	5 years
Musical equipment	10 years
Stage equipment	10 years

Only capital assets with cost in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

2. Significant Accounting Policies (continued)

e) Financial Instruments

The Society's financial instruments consist of cash, accounts receivable, accounts payable, and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Society has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

f) Measurement Uncertainty

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized in these notes.

g) Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teacher Pension Plan Act, Suzuki Charter School Society does not make pension contributions for certificated staff.

3. Capital Assets

	Cost	Accumulated Amortization	Net Book Value 2004	Net Book Value 2003
Buildings	$ 462,558	$ 20,273	$ 442,285	$ 90,269
Equipment				
Computer equipment	$ 55,020	$ 55,020	$ 0	$ 11,004
Musical equipment	9,839	3,936	5,903	6,887
Stage equipment	34,906	10,473	24,433	27,924
Total equipment	$ 99,765	$ 69,429	$ 30,336	$ 45,815

4. Accounts Receivable

Accounts receivable consists of the following:

	2004	2003
Province of Alberta	$240,691	$25,392
Federal Government	25,893	6,749
Other	14,945	11,024
	$281,529	$43,165

5. Deferred Revenue

Deferred revenue consists of the following:

	2004	2003
Alberta Learning	$ -	$4,343
Alberta Infrastructure	44,262	5,301
	$44,262	$9,644

6. Long-Term Debt

	2004	2003
26.04% capital lease, repaid in year	$ -	$ 38,605
Less portion due within one year	-	38,605
	$ -	$ -

7. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the Society, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

8. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent.

SUZUKI CHARTER SCHOOL SOCIETY

Notes to Financial Statements
August 31, 2004

9. Budget Amounts

The budget was prepared by the Charter School's management and approved by the Board of Directors'. It is presented for information purposes only and has not been audited.

10. Economic Dependence

Suzuki Charter School Society's primary source of income is from the Alberta Government. The ability to continue viable operations is dependent on this funding.

11. Comparative Figures

Comparative figures have been reclassified where necessary to conform with current year presentation.

School Jurisdiction Code: 12

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$571,342	$42,197	$529,145						
(2) Support block	$89,668				$39,668			$50,000	
(3) Instruction & support block reallocations	$0	($5,443)	$10,794		($1,736)			($2,579)	($1,036)
(4) Alberta Initiative for School Improvement (AISI)	$13,200	$1,200	$12,000						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$23,000	$969	$21,791					$240	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$6,701	$0	$6,701	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$703,911	$38,923	$580,431	$0	$37,932			$47,661	($1,036)
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$0			$0					
(13) Operations & Maintenance support	$189,468			$189,468					
(14) Operations & Maintenance support (One-Time)	$5,301			$5,301					
(15) **Total Alberta Infrastructure Revenue**	$194,769			$194,769					
(16) **Alberta Finance**	$0			$0					$0
(17) **Other - Government of Alberta**	$1,800	$0	$1,800	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$9,100	$1,000	$8,100						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$49,634	$0	$7,526	$0	$0			$0	$42,108
(25) **Investment income**	$385	$0	$385	$0	$0			$0	$0
(26) **Gifts and donations**	$350	$0	$350	$0	$0				$0
(27) **Rentals of facilities**	$36,662		$36,662	$0	$0			$0	$0
(28) **Net school generated funds**	$98,860	$0	$98,860	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$1,095,471	$39,923	$734,114	$194,769	$37,932			$47,661	$41,072
EXPENSES									
(32) **Certificated salaries**	$447,084	$32,439	$402,645				$12,000	$12,000	$0
(33) **Certificated benefits**	$50,929	$3,742	$46,364				$823	$823	$0
(34) **Uncertificated salaries and wages**	$124,825	$433	$47,547	$23,687	$0	$0	$23,113	$23,113	$30,045
(35) **Uncertificated benefits**	$21,816	$30	$13,558	$3,097	$0	$0	$3,126	$3,126	$2,005
(36) **SUB - TOTAL**	$644,654	$36,644	$510,114	$26,784	$0	$0	$39,062	$39,062	$32,050
(37) **Services, contracts & supplies**	$339,247	$3,279	$116,520	$163,895	$37,932	$0	$8,599	$8,599	$9,022
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$98,860	$0	$98,860	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$18,552	$0	$15,479	$3,073	$0	$0	$0	$0	$0
(42) Total Amortization	$18,552	$0	$15,479	$3,073	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$1,017	$0	$0	$1,017	$0	$0	$0	$0	$0
(45) Other interest charges	$548	$0	$548	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$1,102,878	$39,923	$741,521	$194,769	$37,932	$0	$47,661	$47,661	$41,072
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($7,407)	$0	($7,407)	$0	$0			$0	$0

School Jurisdiction Code: 12

SCHEDULE B to the AFS

INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$364,581	$38,064	$0	$0	$0	$0	$0	$402,645
Certificated benefits	$42,177	$4,187	$0	$0	$0	$0	$0	$46,364
Uncertificated salaries and wages	$11,690	$15,005	$0	$0	$16,522	$4,330	$0	$47,547
Uncertificated benefits	$4,145	$4,511	$0	$0	$4,597	$305	$0	$13,558
SUB - TOTAL REMUNERATION	$422,593	$61,767	$0	$0	$21,119	$4,635	$0	$510,114
Services, contracts & supplies	$75,441	$29,975	$0		$3,739	$7,365	$0	$116,520
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$98,860							$98,860
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$15,479	$0	$0					$15,479
Total Amortization	$15,479	$0	$0					$15,479
Interest on capital debt								
Supported	$0	$0						$0
Unsupported		$0						$0
Other interest charges	$0	$548						$548
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$612,373	$92,290	$0	$0	$24,858	$12,000	$0	$741,521
FTE Certificated				0.0	0.0			
FTE Uncertificated				0.0	1.0			

SCHEDULE C to the AFS

INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$465,409	$33,791	$145,583	$10,794	$655,577	$510,360	$145,217
School Admin & Instruction Support Expenses						$92,290	($92,290)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$465,409	$33,791	$145,583	$10,794	$655,577	$602,650	$52,927
Sub-Programs & Initiatives							
Severely Disabled	$26,759	$4,609	$0		$31,368	$24,858	$6,510
English as a Second Language	$12,013				$12,013	$11,187	$826
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0		$0
Growth & Density	$0				$0		$0
Teacher Assistants Program	$4,502				$4,502	$0	$4,502
Early Literacy Initiative (K-2)	$10,158				$10,158	$12,344	($2,186)
Learning Resources Credit & Resources for the Classroom	$461	$2,092	$8,100		$10,653	$16,175	($5,522)
Technology Integration	$9,007		$0		$9,007	$32,460	($23,453)
French Language Program & Francisation (all jurisdictions)	$836		$0		$836	$41,847	($41,011)
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$63,736		$8,100		$78,537	$138,871	($60,334)
INSTRUCTION, GRADES 1-12	$529,145	$40,492	$153,683	$10,794	$734,114	$741,521	($7,407)

School Jurisdiction Code: 12

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$562,335
Support Block - Transportation	$39,668
SUBTOTAL	$602,003

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$189,468
Teacher Salary Enhancement	$23,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$1,800
Federal government/First Nations	$0
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$49,634
Interest on investments	$385
Rentals of facilities	$36,662
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$33,702
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$936,654**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**0.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$0
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	51,000	$51,000
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$51,000**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$47,661
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$47,661
Maximum Expense Limit for Board & System Administration (Step 3)	$51,000
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$3,339

School Jurisdiction Code: 12

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$119,589
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$33,702	
Less: SGF - related cost recoveries (Note 3)	$26,436	
- capitalized at the District level (Note 4)	$0	
Net Total	$7,266	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$7,266
Net SGF Available for discretionary spending		$126,855
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$98,860
Unexpended SGF - Closing Balance August 31, 2004		$27,995

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 12

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$23,687	$23,687		$23,687
Uncertificated benefits	$0	$0	$0	$0	$3,097	$3,097		$3,097
Sub-total Remuneration	$0	$0	$0	$0	$26,784	$26,784		$26,784
Contracted Services	$23,945	$125,744	$0	$0	$420	$150,109		$150,109
Supplies	$0	$402	$0	$0	$5,788	$6,190		$6,190
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$5,496			$5,496		$5,496
Insurance					$2,100	$2,100		$2,100
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$3,073		$3,073
Total Amortization						$3,073	$0	$3,073
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$1,017		$1,017
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$23,945	$126,146	$5,496	$0	$35,092	$194,769	$0	$194,769
SQUARE METRES								
School Buildings								1,319.2
Non School Buildings								0.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 12

SCHEDULE G to the AFS

DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004

(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	David Onyschuk	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Derek Aschenbrenner	1.0	$0	$0	$0			$0	$66
Name	Zoltan Berkes	1.0	$0	$0	$0			$0	$0
Name	Keith DeSouza	1.0	$0	$0	$0			$0	$0
Name	Katherine Kubica	1.0	$0	$0	$0			$0	$0
Name	Sandy Readman	1.0	$0	$0	$0			$0	$0
Name	Alison Schneider	1.0	$0	$0	$0			$0	$0
Name	Peter Zmewsky	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		8.0	$0	$0	$0			$0	$66
Superintendent	Bruce McIntosh	1.0	$12,000	$823	$0	$0	$0	$12,823	$658
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Heather Christison	1.0	$48,050	$3,854	$0	$0	$0	$51,904	$0
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		8.6	$435,084	$50,106	$0	$0	$0	$485,190	
Uncertificated Salaries & Wages		4.7	$76,775	$17,962	$0	$0	$0	$94,737	
TOTALS			$571,909	$72,745	$0	$0	$0	$644,654	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 109

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

WESTMOUNT CHARTER SCHOOL SOCIETY
Legal Name of School Jurisdiction

2519 Richmond Rd SW, Calgary, AB T3E 4M2
Mailing Address

phone 403/217-0426 fax 403/217-0252
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules WESTMOUNT CHARTER SCHOOL SOCIETY (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

T.D. Regehr	"ORIGINAL SIGNED"
Name	**Signature**

SUPERINTENDENT

M. Kurtz	"ORIGINAL SIGNED"
Name	**Signature**

SECRETARY TREASURER OR TREASURER

M. A. O'Hara	"ORIGINAL SIGNED"
Name	**Signature**

17-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
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AUDITOR'S REPORT

To the Members of the Board
Westmount Charter School Society

I have audited the statement of financial position of the Westmount Charter School Society as at August 31, 2004 and the statements of revenue and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the Society's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the Society as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

November 15, 2004

Lawrence A.

School Jurisdiction Code: 109

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$298,596	$1,512,269
Accounts receivable (net after allowances)		$756,593	$175,286
Prepaid expenses		$75,509	$77,447
Other current assets		$0	$0
Total current assets		$1,130,698	$1,765,002
School generated assets		$30,555	$13,062
Trust assets		$0	$0
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$0	$0
Buildings	$0		
Less: accumulated amortization	$0	$0	$0
Equipment	$0		
Less: accumulated amortization	$0	$0	$0
Vehicles	$0		
Less: accumulated amortization	$0	$0	$0
Total capital assets		$0	$0
TOTAL ASSETS		$1,161,253	$1,778,064
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$614,490	$302,148
Deferred revenue		$147,968	$1,143,858
Deferred capital allocations		$0	$0
Current portion of all long term debt		$0	$0
Total current liabilities		$762,458	$1,446,006
School generated liabilities		$30,555	$13,062
Trust liabilities		$0	$0
Employee future benefits liability		$0	$0
Long term debt			
Supported:	Debentures and other supported debt	$0	$0
	Less: Current portion of supported debt	$0	$0
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$0	$0
Total long term liabilities		$30,555	$13,062
TOTAL LIABILITIES		$793,013	$1,459,068
NET ASSETS			
Unrestricted net assets		$244,083	$169,619
Operating Reserves		$124,157	$149,377
Accumulated Operating Surplus (Deficit)		$368,240	$318,996
Investment in capital assets		$0	$0
Capital Reserves		$0	$0
Total Capital Funds		$0	$0
Total net assets		$368,240	$318,996
TOTAL LIABILITIES AND NET ASSETS		$1,161,253	$1,778,064

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements

School Jurisdiction Code: 109

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$4,938,546	$4,882,248	$4,210,857
Alberta Infrastructure	$1,601,572	$1,555,054	$1,065,934
Alberta Finance	$0	$0	$0
Other Government of Alberta	$0	$0	$0
Federal Government and/or First Nations	$0	$0	$0
Other Alberta school authorities	$92,527	$90,500	$68,150
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$191,481	$181,600	$113,336
Transportation fees	$98,611	$159,000	$70,478
Other sales and services	$53,173	$0	$52,179
Investment income	$15,290	$2,000	$3,426
Gifts and donations	$102,980	$45,000	$178,361
Rentals of facilities	$3,000	$2,500	$2,500
Net school generated funds	$17,466	$30,000	$73,768
Gains on disposal of capital assets	$0	$0	$0
Amortization of capital allocations	$0	$0	$0
Total Revenues	$7,114,645	$6,947,902	$5,838,989
EXPENSES			
Certificated salaries	$3,158,245	$3,417,679	$2,800,900
Certificated benefits	$302,511	$321,215	$300,090
Uncertificated salaries and wages	$527,955	$576,179	$528,169
Uncertificated benefits	$81,801	$99,240	$88,776
Services, contracts and supplies	$2,977,423	$2,604,944	$2,059,396
Net school generated funds	$17,466	$30,000	$73,768
Capital and debt services			
Amortization of capital assets			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Amortization of capital assets	$0	$0	$0
Interest on capital debt			
Supported	$0	$0	$0
Unsupported	$0	$0	$0
Total Interest on capital debt	$0	$0	$0
Other interest charges	$0	$0	$2,720
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$7,065,401	$7,049,257	$5,853,819
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$49,244	($101,355)	($14,830)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$49,244	($101,355)	($14,830)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 109

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$49,244	($14,832)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	$0	$0
Total amortization expense	$0	$0
Gains on disposal of capital assets	$0	$0
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($581,307)	($150,482)
Prepaids and other current assets	$1,938	($18,871)
Long term accounts receivable	$0	
Long term investments	$0	$0
Payables and accrued liabilities	$312,342	$115,255
Deferred revenue	($995,890)	$938,044
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($1,213,673)	$869,114
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	$0	$0
Equipment	$0	$0
Vehicles	$0	$0
Net proceeds from disposal of capital assets	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	$0	$0
C. FINANCING ACTIVITIES		
Capital allocations received	$0	$0
Issue of long term debt	$0	$0
Repayment of long term debt	$0	$0
Add back: supported portion	$0	$0
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$0	$0
Net sources (uses) of cash equivalents* during year	($1,213,673)	$869,114
Cash Equivalents at the beginning of the year	$1,512,269	$643,155
Cash Equivalents at the end of the year	$298,596	$1,512,269

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 109

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$318,996	$0	$169,619	$149,377	$119,377	$0	$0	$0	$0	$0	$30,000	$0	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$318,996	$0	$169,619	$149,377	$119,377	$0	$0	$0	$0	$0	$30,000	$0	$0	$0
Surplus(def) of revenue over expenses	$49,244		$49 244											
Board funded capital transactions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		$0	$0											
Amortization of capital allocations		$0	$0											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($45,787)	$45,787	$10,787		$0		$0		$35,000		$0	
Net transfers from operating reserves			$71,007	($71,007)	($41,007)		$0		$0		($30,000)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$368,240	$0	$244,083	$124,157	$89,157	$0	$0	$0	$0	$0	$35,000	$0	$0	$0

School Jurisdiction Code: 109

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$0	$0
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$0	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$0
Expended capital allocations - current year		$0	$0
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$0
Balance at August 31, 2004		$0	$0

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED AUGUST 31, 2004

NOTE 1 - GENERAL

The ABC Charter Public School Society (the Society) was incorporated on August 9, 2000 under the laws of the Societies Act of Alberta. The Society's main purpose was to operate the ABC Charter Public School which had previously been operated as a division of the Action for Bright Children (Calgary Society). The Calgary Society was approved to open and operate a Charter School in Calgary which commenced operations August 1, 1996 and transferred the charter to the Society effective for the beginning of the 2000 - 2001 school year. On November 15, 2002, the Society changed its name to Westmount Charter School Society. These financial statements are presented to include the assets, liabilities and operations of Westmount Charter School Society from the commencement of operations in 1996.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the year in which the restriction is complied with.

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS - continued

YEAR ENDED AUGUST 31, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The School's policy is to capitalize only those individual capital assets with a cost in excess of $5,000 and amortize these assets over their useful lives. All other capital assets are charged to expense in the year incurred or contributed.

School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level.

Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

Pensions

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Westmount Charter School Society does not make pension contributions for certificated staff.

Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to year end, and are accordingly recorded as prepaid expenses.

Contributed Services

Volunteers contribute a considerable number of hours each year to assist the School in carrying out certain programs, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that the services are not otherwise purchased, contributed services are not recognized in the financial statements.

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS - continued

YEAR ENDED AUGUST 31, 2004

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Instruments

The Society's financial instruments consist of cash, short term investments, accounts receivable, accounts payable and accrued liabilities. It is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The Society has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Operating Reserves

Reserves are established at the discretion of the Board of Trustees to set aside funds for certain operating expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The Society does not provide a future benefit plan to its employees and therefore no such obligations have been expensed or accrued in these financial statements.

NOTE 3 - SHORT TERM INVESTMENTS

Short term investments consists of variable rate guaranteed investment certificates as follows;

	August 31 2004	 2003
Bank of Montreal variable rate GIC maturing August 19, 2004	$ -	$1,000,000
Bank of Montreal variable rate GIC maturing January 16, 2004	-	7,000
Bank of Montreal variable rate GIC maturing January 14, 2005	7,000	-
	$ 7,000	$1,007,000

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS - continued

YEAR ENDED AUGUST 31, 2004

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	August 31	
	2004	2003
Province of Alberta	$ 577,384	$ 134,785
Other Alberta School Juridictions	97,155	-
GST recoverable from Federal Government	28,420	25,809
Other	53,634	14,692
	$ 756,593	$ 175,286

NOTE 5 - CAPITAL ASSETS

During the year, the Society purchased furniture and computer equipment in the amount of $241,039 (2003 - $185,934) which, in accordance with its capital asset policy in Note 2, has been charged to expense.

During the year, the Society received donated furniture and computer equipment with an estimated fair value of $30,900 (2003 - $22,505) which, in accordance with its capital asset policy in Note 2, has been charged to expense.

At the end of the prior year, the Society purchased furniture and equipment in anticipation of the school expansion in 2003 - 2004. These expenses have been included in prepaid expenses to match the expenditures with the funding to be received by Alberta Infrastructure for this purpose.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable consists of the following:

	August 31	
	2004	2003
Other Alberta School Jurisdictions	$ 443,939	$ 99,443
Other trade payables and accrued liabilities	170,551	202,705
	$ 614,490	$ 302,148

WESTMOUNT CHARTER SCHOOL SOCIETY

NOTES TO FINANCIAL STATEMENTS - continued

YEAR ENDED AUGUST 31, 2004

NOTE 7 - DEFERRED REVENUE

Deferred revenue consists of the following:

	August 31 2004	2003
Prepaid lease support and furniture and equipment	$ 67,345	$1,088,570
Prepaid student fees	56,280	36,110
Alberta Initiative for School Improvement	10,222	-
LRC and RCF credits	9,751	11,551
Restricted donations	4,370	3,865
One time grant (2003)	-	3,762
	$ 147,968	$1,143,858

The School received a one time grant in the amount of $3,762 in 2003 from the Government of Alberta which was to be used for specific programs in the 2003 - 2004 school year. This restricted amount was recorded as deferred revenue in 2003 and was matched to the specific program expenditures in 2003 - 2004.

The Society received cash in the amount of $4,370 (2003 - $3,865) which has specific terms of usage and has been recorded as a restricted donation. These funds have been deferred and will be recognized as revenue when the funds are spent on their designated purpose.

NOTE 8 - LEASE COMMITMENTS

The Society has a lease with The Calgary Board of Education for its premises which expires on July 31, 2006 and has estimated scheduled minimum rent payments of $1,058,030 per annum.

The Society also has lease commitments relating to various office equipment with expiry dates to 2008 and has scheduled lease payments of $37,900 per annum.

NOTE 9 - SCHOOL GENERATED FUNDS

In the current year, net SGF revenue and net SGF expense include operations from school council, who maintain a separate bank account and do not report directly to the school. As the amounts are deemed to be immaterial, Schedule E has restated the opening unexpended funds to include school council's carryforward funds, but no adjustment has been made to the prior year revenue and expense numbers.

NOTE 10 - LEASING COSTS

The School moved into new premises effective August 1, 2001 and signed a 5 year lease with The Calgary Board of Education as described in note 8. The funding received from Alberta Learning for lease support is based on a similar formula as the lease, but is calculated and paid over the school year (September to August) instead of the lease year (August to July). As the lease was not signed until well into the 2001 - 2002 school year, no amount of rent from this lease for August, 2001 ($25,935) was included in the 2000 - 2001 financial statements, and the extra month was included in the 2001 - 2002 financial statements. Due to the ongoing growth at the school, the rent charges increase each August to account for the additional space occupied by the school, while the funding increases in September, which increases the differential between the amounts paid for rent and the funding received for lease costs. The differential as at August 31, 2004 of $88,169 (2003 - $88,169) has not been recorded in these financial statements as this timing difference is expected to continue indefinitely.

The School also received a one time grant of $22,990 to be applied towards the plant operations and maintenance of the school for 2002 - 2003 or 2003 - 2004. This grant has been applied, under instruction from the Calgary Board of Education, to the 2002- 2003 school year.

NOTE 11 - INTERNALLY RESTRICTED NET ASSETS

Subsequent to year end, the Board approved a motion to carry forward the 2004 transportation surplus of $35,000 as a reserve against future transportation costs. Also, the Board approved the continuation of a scholarship fund from the net proceeds of the Summerstock production in 2004 in the amount of $10,787 (2003 - $19,377). In 2002, the Board approved the transfer from accumulated operating surplus' of $100,000 to be used as a reserve against the future costs of expansion of the school. In the current year, the Board approved a motion to apply $21,630 of these funds towards designated expenditures, with the balance of $78,370 to be carried forward.

NOTE 12 - ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

Westmount Charter School Society's primary source of income is from the Alberta Government. The Society's ability to continue viable operations is dependent on this funding.

NOTE 13 - BUDGET AMOUNTS

The budget was prepared by the Society and approved by the Board of Trustees. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 109

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$4,066,941	$111,350	$3,955,591						
(2) Support block	$618,630				$347,330			$271,300	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$80,225	$2,540	$77,685						
(5) Student Health Initiative (SHI)	$0	$0	$0						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$152,000	$4,812	$147,188					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$20,750	$0	$20,750	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$4,938,546	$118,702	$4,201,214	$0	$347,330			$271,300	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$84,146			$84,146					
(13) Operations & Maintenance support	$1,517,426			$1,517,426					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$1,601,572			$1,601,572					
(16) **Alberta Finance**	$0			$0					$0
(17) **Other - Government of Alberta**	$0	$0	$0	$0	$0			$0	$0
(18) **Federal Government and/or First Nations**	$0	$0	$0	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$92,527	$0	$92,527	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$191,481	$7,934	$183,547						
(23) **Transportation fees**	$98,611				$98,611				
(24) **Other sales and services**	$53,173	$0	$42,667	$0	$0			$0	$10,506
(25) **Investment income**	$15,290	$0	$0	$0	$0			$15,290	$0
(26) **Gifts and donations**	$102,980	$0	$102,980	$0	$0				$0
(27) **Rentals of facilities**	$3,000		$3,000	$0	$0			$0	$0
(28) **Net school generated funds**	$17,466	$0	$17,466	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$0		$0	$0	$0				$0
(31) **TOTAL REVENUES**	$7,114,645	$126,636	$4,643,401	$1,601,572	$445,941			$286,589	$10,506
EXPENSES									
(32) **Certificated salaries**	$3,158,245	$91,274	$3,066,971				$0	$0	$0
(33) **Certificated benefits**	$302,511	$8,983	$293,528				$0	$0	$0
(34) **Uncertificated salaries and wages**	$527,955	$0	$348,612	$0	$25,631	$0	$143,829	$143,829	$9,883
(35) **Uncertificated benefits**	$81,801	$0	$59,702	$0	$1,923	$0	$19,709	$19,709	$467
(36) **SUB - TOTAL**	$4,070,512	$100,257	$3,768,813	$0	$27,554	$0	$163,538	$163,538	$10,350
(37) **Services, contracts & supplies**	$2,977,423	$14,908	$823,703	$1,601,572	$413,387	$11,119	$112,578	$123,697	$156
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$17,466	$0	$0	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(41) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(42) Total Amortization	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest on capital debt									
(43) Supported	$0	$0	$0	$0	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$0	$0	$0	$0	$0		$0	$0	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$7,065,401	$115,165	$4,592,516	$1,601,572	$440,941	$11,119	$276,116	$287,235	$10,506
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$49,244	$11,471	$50,885	$0	$5,000			($646)	$0

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$2,754,122	$53,649	$0	$221,578	$0	$37,622	$0	$3,066,971
Certificated benefits	$266,722	$2,679	$0	$21,315	$0	$2,812	$0	$293,528
Uncertificated salaries and wages	$27,711	$194,880	$0	$2,215	$120,933	$2,873	$0	$348,612
Uncertificated benefits	$2,544	$32,621	$0	$203	$24,050	$284	$0	$59,702
SUB - TOTAL REMUNERATION	$3,051,099	$283,829	$0	$245,311	$144,983	$43,591	$0	$3,768,813
Services, contracts & supplies	$631,164	$107,014	$0	$48,891	$0	$36,634	$0	$823,703
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$0							$0
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$0	$0	$0					$0
Total Amortization	$0	$0	$0					$0
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$3,682,263	$390,843	$0	$294,202	$144,983	$80,225	$0	$4,592,516
FTE Certificated				3.6	0.0			
FTE Uncertificated				0.0	4.5			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$3,714,141	$224,873	$258,640	$0	$4,197,654	$3,742,575	$455,079
School Admin & Instruction Support Expenses						$390,843	($390,843)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$3,714,141	$224,873	$258,640	$0	$4,197,654	$4,133,418	$64,236
Sub-Programs & Initiatives							
Severely Disabled	$117,092	$3,346	$0		$120,438	$144,983	($24,545)
English as a Second Language	$0				$0	$0	$0
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$0		$0		$0	$0	$0
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$0				$0	$0	$0
Growth & Density	$21,315				$21,315		$21,315
Teacher Assistants Program	$22,005				$22,005	$22,005	$0
Early Literacy Initiative (K-2)	$39,652				$39,652	$39,652	$0
Learning Resources Credit & Resources for the Classroom	$5,692	$17,404	$183,547		$206,643	$216,764	($10,121)
Technology Integration	$34,760		$0		$34,760	$34,760	$0
French Language Program & Francisation (all jurisdictions)	$934		$0		$934	$934	$0
Home Education	$0		$0		$0	$0	$0
Total Sub-Programs & Initiatives	$241,450		$183,547		$445,747	$459,098	($13,351)
INSTRUCTION, GRADES 1-12	$3,955,591	$245,623	$442,187	$0	$4,643,401	$4,592,516	$50,885

School Jurisdiction Code: 109

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$4,032,181
Support Block - Transportation	$347,330
SUBTOTAL	$4,379,511

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$1,517,426
Teacher Salary Enhancement	$152,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$0
Federal government/First Nations	$0
Other Alberta school authorities	$92,527
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$53,173
Interest on investments	$15,290
Rentals of facilities	$3,000
Gains on disposal of capital assets	$0
Amortization of capital allocations	$0
School generated funds (Schedule E)	$45,423
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$6,258,350**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**6.00%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$375,501
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	51,000	$375,501
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$375,501**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$287,235
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$287,235
Maximum Expense Limit for Board & System Administration (Step 3)	$375,501
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$88,266

School Jurisdiction Code: 109

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)	restated		$13,062
Source of School Generated Funds:			
Total School Generated Funds for the year (Note 2)		$45,423	
Less: SGF - related cost recoveries (Note 3)		$10,464	
- capitalized at the District level (Note 4)		$0	
Net Total		$34,959	
Plus: Donations Received (Note 5)		$0	
Equals: Net Additions to SGF			$34,959
Net SGF Available for discretionary spending			$48,021
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39			
Net expended SGF for discretionary purposes (Note 6)			$17,466
Unexpended SGF - Closing Balance August 31, 2004			$30,555

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 109

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$0	$0	$0	$0	$0	$0		$0
Uncertificated benefits	$0	$0	$0	$0	$0	$0		$0
Sub-total Remuneration	$0	$0	$0	$0	$0	$0		$0
Contracted Services	$0	$1,517,426	$0	$0	$0	$1,517,426		$1,517,426
Supplies	$0	$0	$0	$84,146	$0	$84,146		$84,146
Electricity			$0			$0		$0
Natural Gas/Heating Fuel			$0			$0		$0
Sewer and Water			$0			$0		$0
Telecommunications			$0			$0		$0
Insurance					$0	$0		$0
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$0	$0
Unsupported						$0		$0
Total Amortization						$0	$0	$0
Interest on capital debt								
Supported							$0	$0
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$0	$1,517,426	$0	$84,146	$0	$1,601,572	$0	$1,601,572
SQUARE METRES								
School Buildings								9,833.0
Non School Buildings								0.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 109

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	T D Regehr	1.0	$0	$0	$0			$0	$45
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	B Gladstone	1.0	$0	$0	$0			$0	$0
Name	A Dorn	1.0	$0	$0	$0			$0	$0
Name	J Dobbs	1.0	$0	$0	$0			$0	$0
Name	A Gray	1.0	$0	$0	$0			$0	$0
Name	J Hoad	1.0	$0	$0	$0			$0	$0
Name	M MacIsaac	1.0	$0	$0	$0			$0	$0
Name	S Mendaglio	1.0	$0	$0	$0			$0	$0
Name	C Perry	1.0	$0	$0	$0			$0	$0
Name	H Posamentier	1.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*10.0*	*$0*	*$0*	*$0*			*$0*	*$45*
Superintendent	M Kurtz	0.4	$81,409	$0	$0	$0	$0	$81,409	$1,056
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	M A O'Hara	1.0	$66,271	$7,468	$0	$0	$0	$73,739	$474
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		51.0	$3,158,245	$302,511	$0	$0	$0	$3,460,756	
Uncertificated Salaries & Wages		14.0	$461,686	$74,332	$0	$0	$0	$536,018	
TOTALS			**$3,767,611**	**$384,311**	**$0**	**$0**	**$0**	**$4,151,922**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

Superintendent position is contracted on a part-time basis

School Jurisdiction Code: 56

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

WESTWIND SCHOOL DIVISION NO. 74
Legal Name of School Jurisdiction

Box 10 Cardston, AB T0K 0K0
Mailing Address

Phone: (403)653-4991 Fax: (403)653-4641
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules WESTWIND SCHOOL DIVISION NO. 74
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN	
Mr. Ronald Fromm	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT	
Dr. Leroy Walker	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER	
Mr. Dexter Durfey	"ORIGINAL SIGNED"
Name	Signature

30-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

AUDITORS' REPORT

To the Board of Trustees
Westwind School Division #74

We have audited the statement of financial position of the Westwind School Division #74 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the School Division as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Young Parkyn McNab LLP

Lethbridge, Alberta

November 18, 2004

Chartered Accountants

School Jurisdiction Code: 56

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$2,266,914	$3,395,634
Accounts receivable (net after allowances)		$2,108,576	$1,882,155
Prepaid expenses		$398,123	$43,805
Other current assets		$0	$0
Total current assets		$4,773,613	$5,321,594
School generated assets		$534,098	$564,382
Trust assets		$576,345	$591,563
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$470,109	$470,109
Buildings	$39,144,866		
Less: accumulated amortization	($16,860,642)	$22,284,224	$22,668,313
Equipment	$933,866		
Less: accumulated amortization	($554,291)	$379,575	$355,693
Vehicles	$2,040,083		
Less: accumulated amortization	($1,235,252)	$804,831	$855,956
Total capital assets		$23,938,739	$24,350,071
TOTAL ASSETS		$29,822,795	$30,827,610
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$1,684,592	$2,222,479
Deferred revenue		$239,811	$471,925
Deferred capital allocations		$0	$0
Current portion of all long term debt		$731,104	$765,067
Total current liabilities		$2,655,507	$3,459,471
School generated liabilities		$534,098	$564,382
Trust liabilities		$576,345	$591,563
Employee future benefits liability		$111,998	$114,967
Long term debt			
Supported:	Debentures and other supported debt	$6,075,457	$6,840,524
	Less: Current portion of supported debt	($731,104)	($765,067)
Unsupported:	Debentures and Capital Loans	$0	$0
	Capital Leases	$0	$0
	Mortgages	$0	$0
	Less: Current portion of unsupported debt	$0	$0
Unamortized capital allocations		$15,282,065	$14,971,975
Total long term liabilities		$21,848,859	$22,318,344
TOTAL LIABILITIES		$24,504,366	$25,777,815
NET ASSETS			
Unrestricted net assets		$755,232	$820,389
Operating Reserves		$1,390,215	$1,051,932
Accumulated Operating Surplus (Deficit)		$2,145,447	$1,872,321
Investment in capital assets		$2,581,220	$2,537,574
Capital Reserves		$591,762	$639,900
Total Capital Funds		$3,172,982	$3,177,474
Total net assets		$5,318,429	$5,049,795
TOTAL LIABILITIES AND NET ASSETS		$29,822,795	$30,827,610

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$24,368,827	$22,742,047	$23,412,872
Alberta Infrastructure	$3,037,372	$2,739,216	$3,274,812
Alberta Finance	$701,515	$1,193,387	$781,622
Other Government of Alberta	$96,913	$47,000	$41,539
Federal Government and/or First Nations	$3,313,367	$3,579,158	$3,734,778
Other Alberta school authorities	$63,110	$0	$50,600
Out of province authorities	$0	$0	$108,780
Alberta Municipalities	$89,523	$0	$161,854
Instruction resource fees	$366,311	$279,812	$323,115
Transportation fees	$0	$0	$0
Other sales and services	$152,059	$85,163	$215,097
Investment income	$110,136	$77,000	$214,112
Gifts and donations	$1,855	$0	$15,915
Rentals of facilities	$900	$5,000	$400
Net school generated funds	$218,122	$700,000	$648,896
Gains on disposal of capital assets	$23	$0	$19,700
Amortization of capital allocations	$777,663	$700,000	$796,431
Total Revenues	$33,297,696	$32,147,783	$33,800,523
EXPENSES			
Certificated salaries	$16,209,383	$16,561,056	$17,418,753
Certificated benefits	$1,710,578	$1,614,960	$1,726,560
Uncertificated salaries and wages	$5,828,325	$5,571,384	$5,604,113
Uncertificated benefits	$1,405,163	$1,190,762	$1,380,378
Services, contracts and supplies	$5,874,510	$5,165,209	$5,663,591
Net school generated funds	$218,122	$700,000	$648,896
Capital and debt services			
Amortization of capital assets			
Supported	$777,663	$700,000	$796,431
Unsupported	$301,046	$256,853	$255,931
Total Amortization of capital assets	$1,078,709	$956,853	$1,052,362
Interest on capital debt			
Supported	$701,515	$1,193,387	$781,622
Unsupported	$0	$0	$0
Total Interest on capital debt	$701,515	$1,193,387	$781,622
Other interest charges	$2,757	$500	$11,140
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$33,029,062	$32,954,111	$34,287,415
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$268,634	($806,328)	($486,892)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$268,634	($806,328)	($486,892)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$268,634	($486,892)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($777,663)	($796,431)
Total amortization expense	$1,078,709	$1,052,362
Gains on disposal of capital assets	($23)	($19,700)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($226,421)	($596,974)
Prepaids and other current assets	($354,318)	$27,273
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($537,887)	$124,619
Deferred revenue	($232,114)	($720,113)
Employee future benefits	($2,969)	$5,058
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($784,052)	($1,410,798)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($425,560)	($3,162,343)
Equipment	($113,873)	($212,697)
Vehicles	($138,421)	($185,942)
Net proceeds from disposal of capital assets	$10,500	$19,700
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($667,354)	($3,541,282)
C. FINANCING ACTIVITIES		
Capital allocations received	$322,686	$730,273
Issue of long term debt	$0	$0
Repayment of long term debt	($765,067)	($785,256)
Add back: supported portion	$765,067	$771,067
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$322,686	$716,084
Net sources (uses) of cash equivalents* during year	($1,128,720)	($4,235,996)
Cash Equivalents at the beginning of the year	$3,395,634	$7,631,630
Cash Equivalents at the end of the year	$2,266,914	$3,395,634

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 56

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$5,049,795	$2,537,574	$820,389	$1,691,832	$760,948	$280,394	$147,876	$301,391	$29,126	$26,183	$96,508	$31,932	$17,474	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$5,049,795	$2,537,574	$820,389	$1,691,832	$760,948	$280,394	$147,876	$301,391	$29,126	$26,183	$96,508	$31,932	$17,474	$0
Surplus(def) of revenue over expenses	$268,634		$268,634											
Board funded capital transactions		$355,169	$0	($355,169)	($92,200)	($102,874)	$0	$0	($21,674)	$0	$0	($138,421)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1,078,709)	$1,078,709											
Amortization of capital allocations		$777,663	($777,663)											
Disposal of unsupported capital assets	$0	($10,477)	$10,477	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($601,918)	$601,918	$503,243		$0		$71,752		$26,923		$0	
Net transfers from operating reserves			$149,761	($149,761)	$0		($147,876)		$0		$0		($1,885)	
Net transfers to capital reserves			($193,157)	$193,157		$398		$29,869		$21,846		$141,044		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$5,318,429	$2,581,220	$755,232	$1,981,977	$1,171,991	$177,918	$0	$331,260	$79,204	$48,029	$123,431	$34,555	$15,589	$0

School Jurisdiction Code: 56

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$0	$14,971,975
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$322,686	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$0	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$765,067
Expended capital allocations - current year		($322,686)	$322,686
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$777,663
Balance at August 31, 2004		$0	$15,282,065

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Chapter S - 3, Statutes of Alberta, January 1, 2002.

The jurisdiction receives block allocations for instruction and support under Regulation 72/95. The regulation limits funding and expenses for administration. It permits the jurisdiction, within specified limits, to reallocate funding between the instruction and support blocks.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles with the significant accounting policies being as follows:

Revenue recognition
Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

Temporary investments
Temporary Investments are valued at cost. Accrued interest on these investments is recorded as it is earned.

Capital assets
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization is provided for on a straight line basis over the assets= estimated useful lives using the following annual rates:

Equipment	5 years
Vehicles	10 years
Building	40 years
Building and additions	25 years

2. Summary of significant accounting policies (continued)

Capital assets (continued) -
Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

There is no amortization charged in the year of acquisition.

School generated funds
Funds generated from school based activities are included as assets, liabilities, revenues and expenses of the School Division when the accountability and control of these funds rests with School Division officials or their appointees.

Pension obligation
Pension expense includes pension obligations earned by uncertificated employees during the year, amortization of deferred adjustment over the expected average remaining service life of employees, and the effect of changes in the rate used to allocate the unfunded liability to participating entities.

Contributed services
Volunteers assist schools operated by the School Division in carrying out certain activities. Because of the difficulty in determining their fair value and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Measurement uncertainty
The financial statements by their nature, contain estimates and are subject to measurement uncertainty. The amounts recorded for amortization of capital assets are based on estimates of the useful life of the related assets. Pension plan obligations are based on actuarial valuations extrapolated to the reporting date. The effect on the financial statements of changes in such estimates in future periods could be significant.

3. Temporary investments

Temporary investments consists of a 4.00% redeemable term investment with TD Canada Trust in the amount of $1,137,099.

4. Trust assets and liabilities

These balances represent cash that is held in trust by the jurisdiction for the following areas:

	2004	2003
Scholarship Trusts	$ 226,129	$ 193,989
Student Health Initiative Trust (Banker Board)	350,216	397,574
	$ 576,345	$ 591,563

5. Deferred revenue

	2004	2003
Infrastructure modernization program	$ 167,430	$ 167,124
Other	72,381	70,801
	$ 239,811	$ 471,925

6. Long-term debt

The Division has various debentures payable to Alberta Finance relating to the acquisition of capital assets bearing interest at rates ranging from 6.875% to 12.0%. Principal payments in each of the next five years are estimated as follows:

2005	$ 731,104
2006	731,104
2007	731,104
2008	731,104
2009	617,329
2010 to maturity	2,533,712
	$ 6,075,457

7. Economic dependence on related third party

The Westwind School Division=s primary source of income is from the Alberta Government. The Division=s ability to continue viable operations is dependent on this funding.

8. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 19, 2003. It is presented for information purposes only, and has not been audited.

School Jurisdiction Code: 58

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$20 088 659	$1 565 332	$18 523 327						
(2) Support block	$2 499 761				$1 321 865			$1 177 896	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$499 160	$0	$499 160						
(5) Student Health Initiative (SHI)	$199 125	$0	$199 125						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1 004 000	$20 500	$965 750					$17 750	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$78 122	$0	$78 122	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$24 368 827	$1 585 832	$20 265 484	$0	$1 321 865			$1 195 646	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$673 927			$673 927					
(13) Operations & Maintenance support	$2 363 445			$2 363 445					
(14) Operations & Maintenance support (One-Time)	$0			$0					
(15) **Total Alberta Infrastructure Revenue**	$3 037 372			$3 037 372					
(16) **Alberta Finance**	$701 515			$701 515					$0
(17) **Other - Government of Alberta**	$96 913	$0	$5 905	$0	$0			$0	$91 008
(18) **Federal Government and/or First Nations**	$3 313 367	$76 766	$2 876 433	$194 500	$0			$165 668	$0
(19) **Other Alberta school authorities**	$63 110	$0	$63 110	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$89 523	$0	$89 523	$0	$0			$0	$0
(22) **Instruction resource fees**	$366 311	$2 625	$363 686						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$152 059	$0	$51 370	$3 410	$51 612			$30 667	$15 000
(25) **Investment income**	$110 136	$0	$104 609	$0	$0			$5 527	$0
(26) **Gifts and donations**	$1 855	$0	$1 855	$0	$0				$0
(27) **Rentals of facilities**	$900		$0	$900	$0			$0	$0
(28) **Net school generated funds**	$218 122	$0	$218 122	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$23		$23	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$777 663		$0	$777 663	$0				$0
(31) **TOTAL REVENUES**	$33 297 698	$1 665 223	$24 040 120	$4 715 360	$1 373 477			$1 397 508	$106 008
EXPENSES									
(32) **Certificated salaries**	$16 209 383	$574 064	$15 359 707				$275 612	$275 612	$0
(33) **Certificated benefits**	$1 710 578	$62 370	$1 627 791				$20 417	$20 417	$0
(34) **Uncertificated salaries and wages**	$5 828 325	$492 005	$3 215 398	$1 287 959	$373 393	$74 520	$339 270	$413 790	$45 782
(35) **Uncertificated benefits**	$1 405 163	$119 172	$865 177	$288 395	$42 717	$3 659	$75 691	$79 350	$10 352
(36) **SUB - TOTAL**	$25 153 449	$1 247 611	$21 068 071	$1 576 354	$416 110	$78 179	$710 990	$789 169	$56 134
(37) **Services, contracts & supplies**	$5 874 510	$233 899	$2 434 398	$1 853 072	$789 400	$138 324	$373 660	$511 984	$51 759
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$218 122	$0	$218 122	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$777 663	$0	$0	$777 663	$0		$0	$0	$0
(41) Unsupported	$301 046	$0	$78 661	$30 267	$141 044	$0	$51 074	$51 074	$0
(42) Total Amortization	$1 078 709	$0	$78 661	$807 930	$141 044	$0	$51 074	$51 074	$0
Interest on capital debt									
(43) Supported	$701 515	$0	$0	$701 515	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$2 757	$0	$0	$0	$0		$2 757	$2 757	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$33 029 062	$1 481 510	$23 799 250	$4 938 871	$1 346 554	$216 503	$1 138 481	$1 354 984	$107 893
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$268 634	$183 713	$240 870	($223 511)	$26 923			$42 524	($1 885)

School Jurisdiction Code: 50

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$13,712,462	$1,019,604	$137,793	$0	$0	$489,848	$0	$15,359,707
Certificated benefits	$1,471,303	$112,894	$14,296	$0	$0	$29,298	$0	$1,627,791
Uncertificated salaries and wages	$1,004,328	$470,374	$0	$342,450	$1,257,788	$754	$139,702	$3,215,396
Uncertificated benefits	$276,118	$125,241	$0	$100,804	$321,415	$475	$41,124	$865,177
SUB - TOTAL REMUNERATION	$16,464,211	$1,728,113	$152,089	$443,254	$1,579,203	$520,375	$180,826	$21,068,071
Services, contracts & supplies	$2,323,247	$49,791	$2,862	$2,156	$10,074	$27,967	$18,299	$2,434,396
Cost recoveries & transfers	$0	$0	$0	$0	$0	$0	$0	$0
Net school generated funds	$218,122							$218,122
Amortization of capital assets								
Supported	$0	$0	$0					$0
Unsupported	$78,661	$0	$0					$78,661
Total Amortization	$78,661	$0	$0					$78,661
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$19,084,241	$1,777,904	$154,951	$445,410	$1,589,277	$548,342	$199,125	$23,799,250
FTE Certificated				0.0	0.0			
FTE Uncertificated				17.7	70.5			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$15,903,472	$1,664,035	$3,410,950	$0	$20,978,457	$19,032,867	$1,945,590
School Admin & Instruction Support Expenses						$1,777,904	($1,777,904)
System Instruction Support Expenses						$154,951	($154,951)
Total Basic Instruction	$15,903,472	$1,664,035	$3,410,950	$0	$20,978,457	$20,965,722	$12,735
Sub-Programs & Initiatives							
Severely Disabled	$1,510,828	$0	$0		$1,510,828	$1,589,277	($78,449)
English as a Second Language	$220,800				$220,800	$231,219	($10,419)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$150,367		$0		$150,367	$170,300	($19,933)
Institutional Programs	$0				$0	$0	$0
Sparsity & Distance	$284,021				$284,021		$284,021
Growth & Density	$75,787				$75,787		$75,787
Teacher Assistants Program	$71,537				$71,537	$0	$71,537
Early Literacy Initiative (K-2)	$124,320				$124,320	$192,405	($68,085)
Learning Resources Credit & Resources for the Classroom	$30,745	$78,122	$363,686		$472,553	$0	$472,553
Technology Integration	$147,004		$0		$147,004	$650,327	($503,323)
French Language Program & Francisation (all jurisdictions)	$2,160		$0		$2,160	$0	$2,160
Home Education	$2,286		$0		$2,286	$0	$2,286
Total Sub-Programs & Initiatives	$2,619,855		$363,686		$3,061,663	$2,833,528	$228,135
INSTRUCTION, GRADES 1-12	$18,523,327	$1,742,157	$3,774,636	$0	$24,040,120	$23,799,250	$240,870

School Jurisdiction Code: 56

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$19,941,655
Support Block - Transportation	$1,321,865
SUBTOTAL	$21,263,520

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$2,363,445
Teacher Salary Enhancement	$1,004,000
Other Alberta Learning revenues (Describe) Resources for the Classroom Credit	$78,122
Other - Government of Alberta (Excluding Alberta Finance)	$96,913
Federal government/First Nations	$3,313,367
Other Alberta school authorities	$63,110
Out of province local authorities	$0
Alberta municipalities	$89,523
Other sales and services	$152,059
Interest on investments	$110,136
Rentals of facilities	$900
Gains on disposal of capital assets	$23
Amortization of capital allocations	$777,663
School generated funds (Schedule E)	$752,221
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$30,065,002**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**5.32%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,599,458
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,599,458**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,354,984
PLUS: transfers to Restricted - Operating (Board/System Administration)	$71,752
LESS: transfers from Restricted - Operating (Board/System Administration)	$0
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,426,736
Maximum Expense Limit for Board & System Administration (Step 3)	$1,599,458
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$172,722

School Jurisdiction Code: 56

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$564,382
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$752,221	
Less: SGF - related cost recoveries (Note 3)	$564,383	
- capitalized at the District level (Note 4)	$0	
Net Total	$187,838	
Plus: Donations Received (Note 5)	$0	
Equals: Net Additions to SGF		$187,838
Net SGF Available for discretionary spending		$752,220
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$218,122
Unexpended SGF - Closing Balance August 31, 2004		$534,098

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 56

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$959,236	$237,026	$0	$24,707	$66,990	$1,287,959		$1,287,959
Uncertificated benefits	$219,606	$56,789	$0	$0	$12,000	$288,395		$288,395
Sub-total Remuneration	$1,178,842	$293,815	$0	$24,707	$78,990	$1,576,354		$1,576,354
Contracted Services	$0	$0	$0	$0	$0	$0		$0
Supplies	$105,338	$216,347	$0	$649,220	$0	$970,905		$970,905
Electricity			$494,026			$494,026		$494,026
Natural Gas/Heating Fuel			$280,194			$280,194		$280,194
Sewer and Water			$37,033			$37,033		$37,033
Telecommunications			$6,555			$6,555		$6,555
Insurance					$64,359	$64,359		$64,359
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$777,663	$777,663
Unsupported						$30,267		$30,267
Total Amortization						$30,267	$777,663	$807,930
Interest on capital debt								
Supported							$701,515	$701,515
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,284,180	$510,162	$817,808	$673,927	$143,349	$3,459,693	$1,479,178	$4,938,871
SQUARE METRES								
School Buildings								51,005.0
Non School Buildings								2,050.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	22.2	6.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 56

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Barry Webster	1.0	$12,293	$1,007	$6,147			$19,447	$7,080
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Anna Joyce Fox	1.0	$5,173	$306	$2,587			$8,066	$3,558
Name	Ron Fromm	1.0	$4,000	$184	$2,000			$6,184	$1,931
Name	Stephen Heggie	1.0	$4,540	$460	$2,270			$7,270	$2,978
Name	Connie Nelson	1.0	$3,127	$184	$1,563			$4,874	$2,029
Name	Lance Miller	1.0	$3,360	$232	$1,680			$5,272	$13,037
Name	Calvin Salmon	1.0	$4,593	$205	$2,297			$7,095	$955
Name	Rick Schow	1.0	$6,440	$479	$3,220			$10,139	$5,239
Name	Peter Scott	1.0	$5,980	$572	$2,990			$9,542	$5,891
Name	Jeff Tanner	0.5	$173	$29	$87			$289	$90
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*9.5*	*$49,679*	*$3,658*	*$24,841*			*$78,178*	*$42,788*
Superintendent	Leroy Walker	1.0	$112,000	$9,549	$0	$0	$0	$121,549	$7,250
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Dexter Durfey	1.0	$83,400	$14,860	$3,600	$0	$0	$101,860	$10,286
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		225.4	$16,098,117	$0	$0	$0	$0	$16,098,117	
Uncertificated Salaries & Wages		174.0	$5,698,440	$0	$0	$0	$0	$5,698,440	
TOTALS			$22,041,636	$28,067	$28,441	$0	$0	$22,098,144	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 2115

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004

[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Wetaskiwin Regional Division No. 11
Legal Name of School Jurisdiction

5515-47A Street, Wetaskiwin, AB T9A 3S3
Mailing Address

Phone (780) 352-6018 Fax (780) 352-7886
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Wetaskiwin Regional Division No. 11
(Legal Name of School Jurisdiction)
presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Mr. Robert Reimer	"ORIGINAL SIGNED"
Name	Signature

SUPERINTENDENT

Dr. Terry Pearson	"ORIGINAL SIGNED"
Name	Signature

SECRETARY TREASURER OR TREASURER

Ms. Arlene Dow	"ORIGINAL SIGNED"
Name	Signature

8-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

MEYERS NORRIS PENNY

AUDITORS' REPORT

To the Board of Trustees of

WETASKIWIN REGIONAL DIVISION NO. 11

We have audited the statement of financial position of the **Wetaskiwin Regional Division No. 11** as at August 31, 2004 and the related statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The financial statements as at and for the year ended August 31, 2003 were audited by other auditors, who expressed an opinion without reservation on these statements in their report dated October 31, 2003.

Meyers Norris Penny LLP

Leduc, Alberta
October 21, 2004

CHARTERED ACCOUNTANTS

School Jurisdiction Code: 2115

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003 Restated
ASSETS			
Current assets			
Cash and temporary investments		$5,560,295	$9,288,319
Accounts receivable (net after allowances)		2,993,157.00	$2,658,003
Prepaid expenses		$222,335	$214,817
Other current assets		$231,966	$237,992
Total current assets		$9,007,753	$12,399,131
School generated assets		$735,465	$876,448
Trust assets		$443,616	$344,761
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$242,290	$242,290
Buildings	$54,407,568		
Less: accumulated amortization	($20,867,260)	$33,540,308	$33,064,369
Equipment	$7,529,432		
Less: accumulated amortization	($6,897,739)	$631,693	$314,707
Vehicles	$418,254		
Less: accumulated amortization	($163,142)	$255,112	$155,374
Total capital assets		$34,669,403	$33,776,740
TOTAL ASSETS		$44,856,237	$47,397,080
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$3,267,268	$3,626,011
Deferred revenue		$1,136,822	$1,268,514
Deferred capital allocations		$2,030,915	$3,208,270
Current portion of all long term debt		$932,198	$968,598
Total current liabilities		$7,367,203	$9,071,393
School generated liabilities		$735,465	$876,448
Trust liabilities		$443,616	$344,761
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$7,742,448	$8,703,346
Less: Current portion of supported debt		($924,498)	($960,898)
Unsupported: Debentures and Capital Loans		$65,900	$73,600
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		($7,700)	($7,700)
Unamortized capital allocations		$24,165,106	$22,645,896
Total long term liabilities		$32,220,337	$31,675,453
TOTAL LIABILITIES		$39,587,540	$40,746,846
NET ASSETS			
Unrestricted net assets		$0	$0
Operating Reserves		$2,149,979	$3,727,549
Accumulated Operating Surplus (Deficit)		$2,149,979	$3,727,549
Investment in capital assets		$2,695,947	$2,353,896
Capital Reserves		$422,771	$568,789
Total Capital Funds		$3,118,718	$2,922,685
Total net assets		$5,268,697	$6,650,234
TOTAL LIABILITIES AND NET ASSETS		$44,856,237	$47,397,080

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004 Restated	Actual 2003 Restated
REVENUES			
Alberta Learning	$28,946,515	$29,462,292	$29,917,003
Alberta Infrastructure	$4,080,522	$3,912,813	$3,722,865
Alberta Finance	$840,570	$1,046,920	$943,126
Other Government of Alberta	$369,826	$223,800	$170,769
Federal Government and/or First Nations	$2,634,243	$2,344,021	$2,130,660
Other Alberta school authorities	$0	$0	$0
Out of province authorities	$0	$0	$0
Alberta Municipalities	$0	$0	$0
Instruction resource fees	$489,946	$263,669	$388,741
Transportation fees	$10,229	$0	$5,933
Other sales and services	$222,121	$260,474	$265,626
Investment income	$145,072	$175,000	$196,127
Gifts and donations	$10,806	$0	$181
Rentals of facilities	$19,479	$4,500	$8,173
Net school generated funds	$843,066	$600,000	$571,366
Gains on disposal of capital assets	$0	$0	$67,548
Amortization of capital allocations	$1,216,668	$1,233,542	$1,525,986
Total Revenues	$39,829,063	$39,527,031	$39,914,104
EXPENSES			
Certificated salaries	$18,792,656	$17,981,799	$18,058,305
Certificated benefits	$2,140,911	$2,356,235	$2,079,514
Uncertificated salaries and wages	$7,252,343	$6,199,941	$6,710,797
Uncertificated benefits	$1,659,630	$1,677,135	$1,496,161
Services, contracts and supplies	$8,276,988	$8,911,773	$7,689,916
Net school generated funds	$843,066	$600,000	$571,366
Capital and debt services			
Amortization of capital assets			
Supported	$1,216,668	$1,233,542	$1,233,294
Unsupported	$175,461	$89,598	$152,400
Total Amortization of capital assets	$1,392,129	$1,323,140	$1,385,694
Interest on capital debt			
Supported	$840,570	$1,046,749	$943,126
Unsupported	$7,152	$8,171	$7,967
Total Interest on capital debt	$847,722	$1,054,920	$951,093
Other interest charges	$5,155	$0	$1,601
Losses on disposal of capital assets	$0	$0	$292,692
Total Expenses	$41,210,600	$40,104,943	$39,237,139
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($1,381,537)	($577,912)	$676,965
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($1,381,537)	($577,912)	$676,965

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 2115

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003 Restated
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($1,381,537)	$676,965
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,216,668)	($1,525,986)
Total amortization expense	$1,392,129	$1,385,694
Gains on disposal of capital assets	$0	($67,548)
Losses on sale of capital assets	$0	$292,692
Changes in accrued accounts:		
Accounts receivable	($335,154)	($172,061)
Prepaids and other current assets	($1,492)	($57,859)
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($358,743)	($623,831)
Deferred revenue	($131,692)	$43,285
Employee future benefits	$0	$0
Other (describe) Net non-cash transactions	$1,089,594	$0
Total sources (uses) of cash from Operations	($943,563)	($48,649)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	$0
Buildings	($1,792,687)	($7,463,003)
Equipment	($373,867)	($107,382)
Vehicles	($118,238)	($92,648)
Net proceeds from disposal of capital assets	$0	$78,770
Other (describe) Net non-cash transactions	($638,574)	($150,530)
Total sources (uses) of cash from Investing activities	($2,923,366)	($7,734,793)
C. FINANCING ACTIVITIES		
Capital allocations received	$597,625	$252,340
Issue of long term debt	$0	$0
Repayment of long term debt	($968,598)	($973,406)
Add back: supported portion	$960,898	$964,498
Other (describe) Net non-cash transactions	($451,020)	$150,530
Total sources (uses) from Financing activities	$138,905	$393,962
Net sources (uses) of cash equivalents* during year	($3,728,024)	($7,389,480)
Cash Equivalents at the beginning of the year	$9,288,319	$16,677,799
Cash Equivalents at the end of the year	$5,560,295	$9,288,319

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code 2115

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$7 235 618	$2 646 588	$0	$4 589 030	$2 931 252	$181 236	$351 608	$230 717	$437 381	$106 833	$300 000	$50 003	$0	$0
Prior period adjustments (describe)														
Change in treatment of disposal of funded asset	($585 384)	($292 692)	$0	($292 692)	($292 692)	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$6 650 234	$2 353 896	$0	$4 296 338	$2 638 560	$181 236	$351 608	$230 717	$437 381	$106 833	$300 000	$50 003	$0	$0
Surplus(def) of revenue over expenses	($1 381 537)		($1 381 537)											
Board funded capital transactions		$509 812	($509 812)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($1 392 129)	$1 392 129											
Amortization of capital allocations		$1 216 668	($1 216 668)											
Disposal of unsupported capital assets	$0	$0	$0	$0		$0		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$7 700	($7 700)											
Net transfers to operating reserves			$0	$0	$0		$0		$0		$0		$0	
Net transfers from operating reserves			$1 577 570	($1 577 570)	($971 850)		($102 716)		($203 004)		($300 000)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$146 018	($146 018)		($118 239)		($17 707)		$0		($10 072)		$0
Balance at August 31, 2004	$5 268 697	$2 695 947	$0	$2 572 750	$1 666 710	$62 997	$248 892	$213 010	$234 377	$106 833	$0	$39 931	$0	$0

School Jurisdiction Code: 2115

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$3,208,270	$22,645,896
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$744,220	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	($221,119)	
Interest earned on provincial government capital allocations		$74,524	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$960,898
Expended capital allocations - current year		($1,774,980)	$1,774,980
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,216,668
Balance at August 31, 2004		$2,030,915	$24,165,106

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

1. Authority and purpose

The School Jurisdiction delivers education programs under the authority of the *School Act*, Revised Statutes of Alberta 2000, Chapter S-3.

The School Jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The Regulation allows for setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue recognition

The Wetaskiwin Regional Division #11 (the "Regional Division") follows the deferral method of accounting for contributions.

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in-kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

2. Summary of significant accounting policies (continued)

Cash

Cash and cash equivalents include cash on hand balances with bank and short term deposits with original maturities of one year or less.

Prepaid expenses

Certain expenditures incurred and paid before the close of the school year are for specific school instructional materials, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

Inventories

Inventories are recorded at the lessor of cost or net realizable value.

School generated funds

These are the funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.).

Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of the contribution. Amortization is provided on a straight line basis over the assets' estimated useful lives at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

Vacation pay

Vacation pay is accrued in the period in which the employee earns the benefit.

2. Summary of significant accounting policies (continued)

Pension obligation

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wetaskiwin Regional School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $372,152 for the year ended August 31, 2004. At December 31, 2003 the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

Operating and capital reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Financial instruments

The jurisdiction's financial instruments consist of cash and temporary investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from the financial instruments. The jurisdiction has invested surplus funds in accordance with Section 60 of the *School Act* and Section 5 of the Trustees Act.

Contributed services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services, and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

3. Accounts receivable

	2004	2003
Province of Alberta	$ 2,031,886	$ 1,497,887
Federal Government	669,518	734,367
Other	277,836	419,816
Other Alberta School Jurisdictions	13,917	5,933
	$ 2,993,157	$ 2,658,003

4. Bank indebtedness

The Regional Division has a prime less 0.5% operating line of credit of $4,000,000 of which $4,000,000 is unused at August 31, 2004. As security the Regional Division has provided a borrowing by-law.

5. Accounts payable and accrued liabilities

	2004	2003
Trade and other	$ 1,948,027	$ 2,480,631
Province of Alberta	802,688	608,960
Federal Government	516,553	536,420
	$ 3,267,268	$ 3,626,011

6. Deferred revenue

	2004	2003
Province of Alberta	$ 1,133,612	$ 1,265,567
Other	3,210	2,947
	$ 1,136,822	$ 1,268,514

7. Deferred capital allocations

Deferred capital allocations represent externally restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

8. Trust assets and liabilities

	2004	*2003*
Student Health Initiative Trust	**$ 271,795**	$ 241,935
Scholarship trusts	**122,259**	88,404
Deferred Salary Leave Plan	**41,730**	14,422
Skills Link project	**7,832**	--
	$ 443,616	$ 344,761

9. Long-term debt

	2004	*2003*
Debentures: 6.875% to 15.75% Alberta Capital Finance Authority debentures maturing at various dates from 2005 to 2019. Debenture debt is authorized by Alberta Treasury and $7,742,448 is fully supported. Interest paid on long-term debt during 2003 – 2004 was $847,722.	**$ 7,808,348**	$ 8,776,946
Less: current portion	**932,198**	968,598
	$ 6,876,150	$ 7,808,348

Debenture and capital loan repayments required in each of the next five years and beyond are due as follows:

	Principal	**Interest**	**Total**
2004 - 2005	$ 932,198	$ 811,472	$ 1,743,670
2005 - 2006	922,089	711,994	1,634,083
2006 - 2007	922,089	613,464	1,535,553
2007 - 2008	840,805	514,933	1,355,738
2008 - 2009	772,737	425,579	1,198,316
2009 to maturity	3,418,430	1,280,849	4,699,279
Total	$ 7,808,348	$ 4,358,291	$ 12,166,639

The current portion of long-term debt includes $924,498 of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

10. Unamortized capital allocations

Unamortized capital allocations represent externally restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

11. Commitments

Building projects

The jurisdiction is committed to further capital expenditures for the modernization of Falun School of approximately $3,514,393. To date $1,153,526 has been completed. It is anticipated that these costs will be fully funded by capital allocations from Alberta Infrastructure.

Operating leases

The Regional Division has entered into a number of operating leases, which have financial commitments as outlined below. These leases relate to photocopiers, financial systems hardware, facilities rental and grounds maintenance.

2004-2005	$ 354,636
2005-2006	322,102
2006-2007	290,107
2007-2008	226,724
2008-2009	17,730
Total	$ 1,211,299

12. Contingency

The jurisdiction is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

13. Economic dependence on related third party

The School Jurisdiction received 72.7% and 10.2% (2003 – 75.0% and 10.1%) of its revenues pursuant to funding arrangements with Alberta Learning and Alberta Infrastructure respectively. The Division's ability to continue viable operations is dependent on this funding.

14. Budget amounts

The budget was prepared by the School jurisdiction management with Board of Trustees approval given on June 23, 2003. It is presented for information purposes only and has not been audited.

15. Comparative figures

The Budget 2004 and Actual 2003 comparative figures have been reclassified where necessary to conform to Actual 2004 presentation.

16. Prior Period Adjustments

Investment in capital assets and restricted net assets have each been decreased by $292,692 to correct these amounts for a change in treatment on the disposal of a supported capital asset in 2003. When the 2003 financial statements were originally presented, the disposal was shown with a transfer to school based unsupported operating reserves. During 2004, the school jurisdiction and Alberta Learning agreed to change the presentation. This change has been made retroactively and the comparative numbers have been restated.

On the statement of cash flows, 2003 total uses of cash from operations has been reduced and 2003 total uses of cash from investing activities has been increased by $592,066, to recognize that additions to capital assets in this amount resulted from an increase in holdbacks payable, rather than a use of cash. This change had no effect on net uses of cash in 2003.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 2115

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$23,290,552	$1,238,718	$22,051,834						
(2) Support block	$3,731,294				$2,278,968			$1,452,326	
(3) Instruction & support block reallocations	$0	$0	$0		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$491,725	$0	$491,725						
(5) Student Health Initiative (SHI)	$308,880	$0	$308,880						$0
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,045,000	$21,396	$1,010,796					$12,808	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$81,064	$0	$81,064	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$28,946,515	$1,260,114	$23,942,299	$0	$2,278,968			$1,465,134	$0
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$514,365			$514,365					
(13) Operations & Maintenance support	$3,261,525			$3,261,525					
(14) Operations & Maintenance support (One-Time)	$304,632			$304,632					
(15) **Total Alberta Infrastructure Revenue**	$4,080,522			$4,080,522					
(16) **Alberta Finance**	$840,570			$840,570					$0
(17) **Other - Government of Alberta**	$369,826	$140,810	$96,599	$3,344	$0			$0	$129,073
(18) **Federal Government and/or First Nations**	$2,634,243	$18,793	$2,236,493	$286,849	$0			$92,108	$0
(19) **Other Alberta school authorities**	$0	$0	$0	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$0	$0	$0	$0	$0			$0	$0
(22) **Instruction resource fees**	$489,946	$6,665	$483,281						
(23) **Transportation fees**	$10,229				$10,229				
(24) **Other sales and services**	$222,121	$0	$139,068	$69,056	$0			$13,997	$0
(25) **Investment income**	$145,072	$0	$0	$0	$0			$145,072	$0
(26) **Gifts and donations**	$10,806	$0	$10,806	$0	$0				$0
(27) **Rentals of facilities**	$19,479		$8,038	$11,441	$0			$0	$0
(28) **Net school generated funds**	$843,066	$0	$843,066	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,216,668		$6,568	$1,210,100	$0				$0
(31) **TOTAL REVENUES**	$39,829,063	$1,426,382	$27,766,218	$6,501,882	$2,289,197			$1,716,311	$129,073
EXPENSES									
(32) **Certificated salaries**	$18,792,656	$588,606	$17,826,617				$377,433	$377,433	$0
(33) **Certificated benefits**	$2,140,911	$60,809	$2,045,430				$34,672	$34,672	$0
(34) **Uncertificated salaries and wages**	$7,252,343	$323,630	$4,180,484	$1,864,214	$95,992	$97,029	$589,610	$686,639	$101,384
(35) **Uncertificated benefits**	$1,659,630	$69,316	$1,012,850	$398,175	$21,665	$21,695	$130,720	$152,415	$5,209
(36) **SUB - TOTAL**	$29,845,540	$1,042,361	$25,065,381	$2,262,389	$117,657	$118,724	$1,132,435	$1,251,159	$106,593
(37) **Services, contracts & supplies**	$8,276,988	$320,359	$2,811,315	$2,146,086	$2,543,018	$117,568	$316,162	$433,730	$22,480
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$0	$0	$0	$0	$0	$0	$0
(39) **Net school generated funds**	$843,066	$0	$843,066	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,216,668	$0	$6,568	$1,210,100	$0		$0	$0	$0
(41) Unsupported	$175,461	$0	$113,240	$35,585	$2,968	$0	$23,668	$23,668	$0
(42) Total Amortization	$1,392,129	$0	$119,808	$1,245,685	$2,968	$0	$23,668	$23,668	$0
Interest on capital debt									
(43) Supported	$840,570	$0	$0	$840,570	$0		$0	$0	$0
(44) Unsupported	$7,152	$0	$0	$7,152	$0	$0	$0	$0	$0
(45) Other interest charges	$5,155	$0	$0	$0	$0		$5,155	$5,155	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$41,210,600	$1,382,720	$28,839,570	$6,501,882	$2,663,643	$236,292	$1,477,420	$1,713,712	$129,073
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($1,381,537)	$63,662	($1,073,352)	$0	($374,446)			$2,599	$0

School Jurisdiction Code: 2115

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$11,156,775	$1,206,315	$146,255	$2,181,238	$2,861,121	$274,913	$0	$17,826,617
Certificated benefits	$1,300,778	$126,384	$19,263	$251,391	$319,829	$27,785	$0	$2,045,430
Uncertificated salaries and wages	$431,284	$1,079,679	$292,440	$374,130	$1,728,031	$7,956	$266,964	$4,180,484
Uncertificated benefits	$96,948	$266,403	$58,970	$86,279	$440,500	$1,642	$62,108	$1,012,850
SUB - TOTAL REMUNERATION	$12,985,785	$2,678,781	$516,928	$2,893,038	$5,349,481	$312,296	$329,072	$25,065,381
Services, contracts & supplies	$1,102,988	$461,043	$1,065,348	$12,546	$47,793	$92,952	$28,645	$2,811,315
Cost recoveries & transfers	$0	$0	($35,640)	$0	$0	$86,477	($50,837)	$0
Net school generated funds	$843,066							$843,066
Amortization of capital assets								
Supported	$0	$0	$6,568					$6,568
Unsupported	$0	$0	$113,240					$113,240
Total Amortization	$0	$0	$119,808					$119,808
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$14,931,839	$3,139,824	$1,666,444	$2,905,584	$5,397,274	$491,725	$306,880	$28,839,570
FTE Certificated				29.7	41.4			
FTE Uncertificated				14.1	66.3			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$16,797,682	$1,809,401	$1,104,145	$0	$19,711,228	$14,561,876	$5,149,352
School Admin & Instruction Support Expenses						$3,139,824	($3,139,824)
System Instruction Support Expenses						$1,666,444	($1,666,444)
Total Basic Instruction	$16,797,682	$1,809,401	$1,104,145	$0	$19,711,228	$19,368,144	$343,084
Sub-Programs & Initiatives							
Severely Disabled	$4,117,641	$0	$0		$4,117,641	$5,397,274	($1,279,633)
English as a Second Language	$47,104				$47,104	$54,175	($7,071)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$190,072		$2,236,493		$2,426,565	$2,457,767	($31,202)
Institutional Programs	$103,716				$103,716	$116,816	($13,100)
Sparsity & Distance	$323,114				$323,114		$323,114
Growth & Density	$20,872				$20,872		$20,872
Teacher Assistants Program	$76,804				$76,804	$76,804	$0
Early Literacy Initiative (K-2)	$137,796				$137,796	$185,319	($47,523)
Learning Resources Credit & Resources for the Classroom	$38,407	$81,064	$483,281		$602,752	$666,808	($64,056)
Technology Integration	$164,604		$0		$164,604	$164,604	$0
French Language Program & Francisation (all jurisdictions)	$16,706		$0		$16,706	$287,987	($271,281)
Home Education	$17,316		$0		$17,316	$63,872	($46,556)
Total Sub-Programs & Initiatives	$5,254,152		$2,719,774		$8,054,990	$9,471,426	($1,416,436)
INSTRUCTION, GRADES 1-12	$22,051,834	$1,890,465	$3,823,919	$0	$27,766,218	$28,839,570	($1,073,352)

School Jurisdiction Code: 2115

SCHEDULE D to the AFS
CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$23,125,948
Support Block - Transportation	$2,278,968
SUBTOTAL	$25,404,916

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,261,525
Teacher Salary Enhancement	$1,045,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$369,826
Federal government/First Nations	$2,634,243
Other Alberta school authorities	$0
Out of province local authorities	$0
Alberta municipalities	$0
Other sales and services	$222,121
Interest on investments	$145,072
Rentals of facilities	$19,479
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,216,668
School generated funds (Schedule E)	$1,477,800
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$35,796,650**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.99%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,786,253
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,786,253**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,713,712
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$203,004
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,510,708
Maximum Expense Limit for Board & System Administration (Step 3)	$1,786,253
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$275,545

School Jurisdiction Code: 2115

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$876,448
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,477,800	
Less: SGF - related cost recoveries (Note 3)	$898,765	
- capitalized at the District level (Note 4)	$0	
Net Total	$579,035	
Plus: Donations Received (Note 5)	$123,048	
Equals: Net Additions to SGF		$702,083
Net SGF Available for discretionary spending		$1,578,531
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$843,066
Unexpended SGF - Closing Balance August 31, 2004		$735,465

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 2115

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,242,622	$403,270	$0	$15,243	$203,079	$1,864,214		$1,864,214
Uncertificated benefits	$270,540	$81,832	$0	$3,346	$42,457	$398,175		$398,175
Sub-total Remuneration	$1,513,162	$485,102	$0	$18,589	$245,536	$2,262,389		$2,262,389
Contracted Services	$960	$94,973	$24,712	$461,085	$3,021	$584,751		$584,751
Supplies	$70,274	$304,713	$0	$34,691	$25,554	$435,232		$435,232
Electricity			$501,208			$501,208		$501,208
Natural Gas/Heating Fuel			$396,774			$396,774		$396,774
Sewer and Water			$49,362			$49,362		$49,362
Telecommunications			$0			$0		$0
Insurance					$178,759	$178,759		$178,759
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,210,100	$1,210,100
Unsupported						$35,585		$35,585
Total Amortization						$35,585	$1,210,100	$1,245,685
Interest on capital debt								
Supported							$840,570	$840,570
Unsupported				$0		$7,152		$7,152
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						$0		$0
TOTAL EXPENSES	$1,584,396	$884,788	$972,056	$514,365	$452,870	$4,451,212	$2,050,670	$6,501,882
SQUARE METRES								
School Buildings								65,729.3
Non School Buildings								2,129.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	32.8	9.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 2115

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Mr. Robert Reimer	1.0	$17,791	$3,445	$0			$21,236	$6,626
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Ms. Barb Johnson	1.0	$12,652	$3,378	$0			$16,030	$4,110
Name	Ms. Kathy Rooyakkers	1.0	$13,667	$3,370	$0			$17,037	$9,359
Name	Mr. Steven Hines	1.0	$7,980	$104	$0			$8,084	$4,312
Name	Mr. Greg Butt	1.0	$16,041	$3,857	$0			$19,898	$10,692
Name	Mr. Ed Zacharko	1.0	$15,893	$4,151	$0			$20,044	$4,678
Name	Mr. Gerd Andres	1.0	$13,005	$3,390	$0			$16,395	$2,562
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*7.0*	*$97,029*	*$21,695*	*$0*			*$118,724*	*$42,339*
Superintendent	Dr. Hal Kluczny	0.9	$108,566	$9,241	$0	$0	$0	$117,807	$9,867
Superintendent	Dr. Terry Pearson	0.1	$9,667	$1,300	$10,000	$0	$0	$20,967	$1,786
Secretary/Treasurer	Ms. Arlene Dow	1.0	$111,908	$12,661	$0	$0	$0	$124,569	$7,074
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		278.9	$18,664,423	$2,130,370	$0	$0	$0	$20,794,793	
Uncertificated Salaries & Wages		217.3	$7,043,406	$1,621,473	$0	$0	$0	$8,664,879	
TOTALS			**$26,034,999**	**$3,796,740**	**$10,000**	**$0**	**$0**	**$29,841,739**	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e. retiring allowance, vacation payout, partial year payment for 2nd individual)

School Jurisdiction Code 1325

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

Wild Rose School Division No. 66
Legal Name of School Jurisdiction

4912 - 43 Street, Rocky Mountain House, Alberta
Mailing Address

Telephone: (403) 845-3376, Fax: (403) 845-4287
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules Wild Rose School Division No. 66 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Maureen Fisher	"Original Signed By"
Name	Signature

SUPERINTENDENT

J. Greg Thomas	"Original Signed By"
Name	Signature

SECRETARY TREASURER OR TREASURER

Cody G. McClintock	"Original Signed By"
Name	Signature

19-Jan-05
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

GK
DP

Gitzel Krejci Dand Peterson

CHARTERED ACCOUNTANTS

*ROBERT J. KREJCI, C.A. *RODNEY B. DAND, B. COMM., C.A., C.F.P. *BARRY D. GITZEL, B. COMM., C.A.
*ERIC A. PETERSON, BA., C.A. *PEGGY WEINZIERL, B. COMM., C.A.

4912 - 51 St.
P.O. Box 460
STETTLER, AB. T0C 2L0
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FAX: 403-742-1266
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Web Site: www.gkdpca.com

AUDITORS' REPORT

To The Board of Trustees

Wild Rose School Division No. 66

We have audited the statement of financial position of the Wild Rose School Division No. 66 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2003 and the results of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Stettler, Alberta
December 15, 2004

Gitzel Krejci Dand Peterson
CHARTERED ACCOUNTANTS

School Jurisdiction Code: 1325

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$9,225,150	$15,874,475
Accounts receivable (net after allowances)		$1,749,575	$1,700,348
Prepaid expenses		$327,884	$247,506
Other current assets		$112,579	$122,694
Total current assets		$11,415,188	$17,945,023
School generated assets		$811,273	$842,328
Trust assets		$151,289	$173,141
Long term accounts receivable		$163,035	$191,155
Long term investments		$0	$0
Capital assets			
Land		$2,271,069	$2,277,833
Buildings	$70,065,373		
Less: accumulated amortization	($23,317,222)	$46,748,151	$38,832,309
Equipment	$9,466,368		
Less: accumulated amortization	($7,266,234)	$2,200,135	$2,558,725
Vehicles	$4,490,392		
Less: accumulated amortization	($2,236,488)	$2,253,904	$2,254,501
Total capital assets		$53,473,259	$45,923,368
TOTAL ASSETS		$66,014,045	$65,075,015
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$4,219,342	$1,889,684
Deferred revenue		$716,233	$1,681,031
Deferred capital allocations		$1,022,131	$9,697,496
Current portion of all long term debt		$692,905	$786,285
Total current liabilities		$6,650,611	$14,054,496
School generated liabilities		$811,273	$842,328
Trust liabilities		$151,289	$173,141
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$6,215,107	$7,001,392
Less: Current portion of supported debt		($692,905)	($786,285)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$38,610,691	$30,046,022
Total long term liabilities		$45,095,456	$37,276,598
TOTAL LIABILITIES		$51,746,066	$51,331,094
NET ASSETS			
Unrestricted net assets		$3,153,164	$2,053,971
Operating Reserves		$1,204,593	$1,686,153
Accumulated Operating Surplus (Deficit)		$4,357,756	$3,740,124
Investment in capital assets		$8,647,464	$8,875,958
Capital Reserves		$1,262,759	$1,127,839
Total Capital Funds		$9,910,223	$10,003,797
Total net assets		$14,267,979	$13,743,921
TOTAL LIABILITIES AND NET ASSETS		$66,014,045	$65,075,015

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$35,115,606	$34,316,099	$34,164,276
Alberta Infrastructure	$4,892,780	$4,054,451	$4,259,176
Alberta Finance	$655,718	$706,482	$733,438
Other Government of Alberta	$51,860	$0	$57,229
Federal Government and/or First Nations	$38,484	$60,960	$78,983
Other Alberta school authorities	$21,253	$0	$7,622
Out of province authorities	$0	$0	$0
Alberta Municipalities	($2,089)	$0	$0
Instruction resource fees	$60,974	$120,800	$34,794
Transportation fees	$0	$0	$0
Other sales and services	$238,292	$20,300	$158,049
Investment income	$206,859	$230,600	$256,474
Gifts and donations	$99,840	$8,000	$232,462
Rentals of facilities	$21,889	$10,200	$18,273
Net school generated funds	$1,348,937	$1,046,251	$1,147,085
Gains on disposal of capital assets	$0	$0	$42,232
Amortization of capital allocations	$1,703,871	$1,605,683	$1,801,694
Total Revenues	$44,454,271	$42,179,826	$42,991,787
EXPENSES			
Certificated salaries	$19,536,576	$19,314,878	$19,280,625
Certificated benefits	$2,012,137	$2,099,497	$2,028,031
Uncertificated salaries and wages	$8,057,786	$7,696,384	$8,018,098
Uncertificated benefits	$1,580,823	$1,539,277	$1,518,464
Services, contracts and supplies	$7,937,765	$7,203,642	$7,979,354
Net school generated funds	$1,348,939	$1,046,251	$1,147,085
Capital and debt services			
Amortization of capital assets			
Supported	$1,703,871	$1,605,683	$1,801,694
Unsupported	$1,140,611	$1,228,431	$1,013,788
Total Amortization of capital assets	$2,844,482	$2,834,114	$2,815,482
Interest on capital debt			
Supported	$655,718	$706,482	$733,438
Unsupported	$0	$0	$0
Total Interest on capital debt	$655,718	$706,482	$733,438
Other interest charges	$893	$1,500	$1,831
Losses on disposal of capital assets	$5,400	$0	$0
Total Expenses	$43,980,518	$42,442,025	$43,522,408
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	$473,753	($262,199)	($530,621)
Unrestricted revenues used for capital purposes	$50,305	$0	$155,014
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	$524,058	($262,199)	($375,607)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	$524,058	($375,607)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,703,871)	($1,801,694)
Total amortization expense	$2,844,482	$2,815,482
Gains on disposal of capital assets	$0	($42,232)
Losses on sale of capital assets	$5,400	$0
Changes in accrued accounts:		
Accounts receivable	($49,227)	($270,871)
Prepaids and other current assets	($70,263)	($34,258)
Long term accounts receivable	$28,120	$0
Long term investments	$0	$0
Payables and accrued liabilities	$2,329,658	($1,445,723)
Deferred revenue	($964,798)	($521,310)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	$2,943,559	($1,676,213)
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	$0	($392,900)
Buildings	($9,532,552)	($2,107,863)
Equipment	($498,055)	($520,820)
Vehicles	($379,166)	($710,052)
Net proceeds from disposal of capital assets	$10,000	$42,232
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($10,399,773)	($3,689,403)
C. FINANCING ACTIVITIES		
Capital allocations received	$806,889	$612,999
Issue of long term debt	$0	$0
Repayment of long term debt	($786,285)	($1,089,423)
Add back: supported portion	$786,285	$1,089,423
Other (describe)		$0
Total sources (uses) from Financing activities	$806,890	$612,999
Net sources (uses) of cash equivalents* during year	($6,649,325)	($4,752,617)
Cash Equivalents at the beginning of the year	$15,874,475	$20,627,092
Cash Equivalents at the end of the year	$9,225,150	$15,874,475

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 1325

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
					Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$13,743,921	$8,875,958	$2,053,971	$2,813,992	$426,168	$355,802	$246,922	$211,984	$274,576	$0	$738,487	$560,053	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$13,743,921	$8,875,958	$2,053,971	$2,813,992	$426,168	$355,802	$246,922	$211,984	$274,576	$0	$738,487	$560,053	$0	$0
Surplus(def) of revenue over expenses	$524,058		$524,058											
Board funded capital transactions		$927,517	($548,350)	($379,167)	$0	$0	$0	($25,595)	$0	$0	$0	($353,572)	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,844,482)	$2,844,482											
Amortization of capital allocations		$1,703,871	($1,703,871)											
Disposal of unsupported capital assets	$0	($15,400)	$5,400	$10,000		$10,000		$0		$0		$0		$0
Disposal of supported capital assets-unsupported portion	$0	$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			$27,335	($27,335)	$0		$0		$0		($27,335)		$0	
Net transfers from operating reserves			$454,225	($454,225)	($250,484)		($115,648)		($88,093)		$0		$0	
Net transfers to capital reserves			($504,087)	$504,087		$62,087		$26,000		$0		$416,000		$0
Net transfers from capital reserves			$0	$0		$0		$0		$0		$0		$0
Balance at August 31, 2004	$14,267,979	$8,647,464	$3,153,164	$2,487,352	$175,684	$427,889	$131,274	$212,389	$186,483	$0	$711,152	$622,481	$0	$0

School Jurisdiction Code: 1325

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$9,697,496	$30,046,022
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$620,362	
	Other Government of Alberta	$0	
	Federal Government and/or First Nations	$0	
	Other sources	$28,299	
Interest earned on provincial government capital allocations		$158,228	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$0	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$786,285
Expended capital allocations - current year		($9,482,254)	$9,482,254
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,703,871
Balance at August 31, 2004		$1,022,131	$38,610,691

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

WILD ROSE SCHOOL DIVISION No. 66
NOTES TO FINANCIAL STATEMENT
AUGUST 31, 2004

1. AUTHORITY AND PURPOSE

The School Division delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and accounting policies consistent with those prescribed by Alberta Learning for Alberta school jurisdictions. The precise determination of many assets and liabilities is dependent on future events. As a result, the preparation of financial statements for a period involves the use of estimates and approximations, which have been made using careful judgment. Actual results could differ from those estimates and approximations. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below:

Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Unrestricted contributions are recognized as revenue when received and receivable. Contributions in-kind are recorded at fair market value when reasonably determinable

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds, which are to be retained as net assets, are recorded as direct increases in trust assets and liabilities.

Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 10%
Equipment	10% and 20%
Vehicles	10% and 20%

Only capital assets with costs in excess of $ 5000; or 10 and more items with an aggregate cost in excess of $ 10,000; or restricted by expenditure are capitalized. Any capital allocations received for asset additions are amortized over the same period as the related asset.

The capital asset pools of furniture, equipment and buildings are deemed fully disposed 10 years after full amortization of the costs or incremental costs. Disposal amounts are prorated over the 10 years following full amortization. For buildings, this is an adjustment for the long-term nature of the asset, and capitalization of improvements extending the useful life, without any identifiable disposal of those components previously capitalized. For furniture and equipment, this adjustment recognizes that disposal of assets will take place over time, but not be specifically identifiable.

Inventories

Inventories are recorded at the lower of cost and net realizable value.

School Generated Funds

Funds generated from school-based activities are included as assets, liabilities, revenues and expenses of the school jurisdiction because the accountability and control of these funds rests with school jurisdiction officials or their appointee(s). These funds are usually collected and retained at the school for expenditures paid the school level (e.g. yearbook sales, graduation fees, field trip fees, etc.)

Vacation Pay

Vacation pay is recorded when earned.

Contributed Services

Volunteers assist schools operated by the School Division in carrying out certain activities. Due to the difficulty of determining the fair value of these services and the fact that such assistance is generally not otherwise purchased, contributed services are not recognized in the financial statements.

Financial Instruments

The jurisdiction's financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management's opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

Pension

Pension costs included in these statements comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wild Rose School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $ 349,882 for the Year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

Employee Future Benefits

The jurisdiction accrues its obligations under employee future benefit plans and expenses the related costs. There is no financial impact on the jurisdiction at this time.

3. ACCOUNTS RECEIVABLE

Accounts Receivable comprises of the following amounts:

	2004	2003
Due from the Provincial Government	$ 1,383,800	$ 1,396,950
Due from the Federal Government	198,131	181,168
Due from the FMSS Society (Current)	22,184	22,184
Notes Receivable: Pension Buyback (Current)	4,688	10,237
Notes Receivable: Computer Purchase Plan (Current)	46,149	42,495
Accrued Interest and Refunds	8,628	36,608
Accounts Receivables: General	85,995	10,706
	$ 1,749,575	$ 1,700,348

4. OTHER CURRENT ASSETS

	2004	2003
Inventories	$ 112,054	$ 122,169
Utility Deposits	525	525
	$ 112,579	$ 122,694

5. LONG TERM ACCOUNTS RECEIVABLE

	2004	2003
Due from the FMSS Society	149,506	175,077
Notes Receivable: Pension Buyback	0	4,271
Notes Receivable: Computer Purchase Plan	13,529	11,805
	$ 163,035	$ 191,153

The amount due from the Frank Maddock Student Services Society; relating to an agreement between the School Division and the Society, for the Society to reimburse certain construction expenditures incurred on the construction of a facility at the Frank Maddock High School. The School Division retains title to the facility. The amount owing is unsecured and non-interest bearing repayment is to be made on a monthly basis. Payments over the next 5 years are as follow:

2005	22,184
2006	22,184
2007	22,184
2008	22,184
2009	22,184
Thereafter	38,586
	$ 149,506

6. BANK INDEBTEDNESS

The School Division has entered into a revolving line of credit agreement with Alberta Treasury Branches and is authorized to borrow up to $ 750,000 at the bank's prime rate of interest less ¼ percent.

The School Division has entered into an agreement with US Bank for VISA credit services for purchasing cards. The agreement allows an average monthly utilization of $ 66,000. The School Division has not utilized this service.

At year-end no amounts were outstanding.

7. DEFERRED REVENUE

Deferred revenue consists of the following unexpended grants, as qualifying expenditures are incurred these grants will be recognized as revenue:

	2004	2003
Infrastructure Maintenance Program (IMP) Grant	$ -	$ 488,262
Bell – Lease Payment	1,000	-
Block Modernization Funding	526,431	565,177
Alberta Initiative for School Improvement	188,802	219,479
Province of Alberta – One-Time Transportation Grant	-	53,200
Province of Alberta – One-Time Maintenance Grant	-	354,913
	$ 716,233	$ 1,681,031

The Infrastructure Maintenance Program Grant is the former Building Quality Restoration Program Grant.

The One Time Grant was issued by the Province of Alberta in the amount of $1,593,015 in a previous year. These funds can only be used for expenditures approved by the Province.

Block Modernization Grants and accrued interest on these restricted capital funds were in excess of expenditures made. Expenditure of these funds is outlined in the School Division's Facility Master Plan.

Alberta Initiative for School Improvement Grants received, were in excess of expenditures made. Expenditure of these funds is outlined on a project basis, approved by the Board of Trustees and the Province of Alberta.

A One-Time Transportation Grant for additional costs of fuel and insurance was made to off-set expenditures in either 2002/2003 or 2003/2004 school year. These funds were utilized in the 2003/2004 school year.

A One-Time Maintenance Grant for additional costs of energy and insurance was made to off-set expenditures in either 2002/2003 (upon application to the Minister of Infrastructure) or 2003/2004 school year. These funds were utilized in the 2003/2004 school year.

8. DEFERRED CAPITAL ALLOCATIONS

The School Division was advanced funding by the Province of Alberta for the modernization or replacement of school facilities. These funds are to address issues arising from School Facility Audit performed by the Ministry of Infrastructure. The grant funding and related accumulated interest earned on advances are transferred to Unamortized Capital Allocations as expenses are incurred. The unexpended funding (or funding due) and related accumulated interest, allocated by the Province of Alberta is as follows:

	2004	2003
Will Sinclair High School	$ 921,986	$ 9,697,498
H.W. Pickup Jr. High School	100,144	-
	$ 1,022,133	$ 9,697,498

9. TRUST ASSETS AND LIABILITIES

These balances represent cash that is held in trust by the jurisdiction for following areas:

	2004	2003
Deferred salary plan	$ 138,584	$ 161,521
Scholarship funds	10,064	9,065
Other trust amounts	2,641	2,555
	$ 151,289	$ 173,141

10. LONG TERM DEBT

The debenture debt bears interest at rates varying between 7.25 % and 12 %, and mature at various times between 2004 and 2020. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount.

	2004	2003
Long Term Debt	$ 6,215,107	$ 7,001,392
Less: Current Portion	692,905	786,285
	$ 5,522,203	$ 6,215,107

Principal payments required in each of the next four fiscal years are as follows:

	2004
2005	692,905
2006	686,397
2007	660,733
2008	639,116
Thereafter	3,535,956
	$ 6,215,107

11. INVESTMENT IN CAPITAL ASSETS

Investment in capital assets is comprised of the following:

	2004	2003
Net Capital Assets	$ 53,473,259	$ 45,923,370
Capital debt	(6,215,107)	(7,001,391)
Unamortized capital allocations	(38,610,691)	(30,046,021)
Investment in capital assets end of year	$ 8,647,461	$ 8,875,958

12. CONTINGENCIES

Contingent Assets

The School Division is a member of a reciprocal insurance exchange called ALAIRE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of the equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

13. COMMITMENTS

School Construction Contracts

The jurisdiction is committed to construction contracts related to the replacement of Will Sinclair High School. The commitment for construction and architectural fees is approximately $ 2,633,488 subject to the completion of construction. This commitment is fully funded by Alberta Infrastructure.

Purchase of Property for School

Under the terms of an agreement with the Town of Rocky Mountain House for the purchase of land for a replacement school, the jurisdiction is committed to pay an additional sum equal to 50% of the proceeds above $ 800,000 from the disposition of the Will Sinclair High School property, to a maximum of $ 150,000.

Student Transportation Contracts

The jurisdiction is committed to 35 student transportation contracts for the operation of school buses. These are term contracts with a 90 day notice of early termination clause. The maturity dates for these contracts are grouped as follows:

Contracts with End Date: August 31 of:	Number of Contracts
2005	9
2006	14
2007	11
2008	1
Total	35

14. ECONOMIC DEPENDENCE ON RELATED THIRD PARTY

During the year the School Division entered into transactions with related parties as follows:

The Wild Rose School Division's primary source of income is from the Alberta Government. The Division's ability to continue viable operations is dependent on this funding.

The Alberta Teachers' Retirement Fund pension plan payments are paid by the provincial government directly to the plan on behalf of the division. The amount of these payments has not been disclosed to the division.

15. BUDGET AMOUNTS

The budget was prepared by the School Division management with Board of Trustee approval. It is presented for information purposes only and has not been audited.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 1325

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin.	
Alberta Learning allocations									
(1) Instruction block	$27,737,969	$1,502,141	$26,235,828						
(2) Support block	$4,948,185				$3,386,060			$1,562,125	
(3) Instruction & support block reallocations	$0	$0	$374,915		($363,300)			($6,477)	($5,138)
(4) Alberta Initiative for School Improvement (AISI)	$668,117	$0	$668,117						
(5) Student Health Initiative (SHI)	$78,414	$0	$0						$78,414
(6) Supernet Access	$60,420		$60,420					$0	
(7) Teacher Salary Enhancement (TSE)	$1,162,000	$0	$1,162,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$460,501	$0	$460,501	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$35,115,606	$1,502,141	$28,961,781	$0	$3,022,760			$1,555,648	$73,276
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$885,159			$885,159					
(13) Operations & Maintenance support	$3,652,708			$3,652,708					
(14) Operations & Maintenance support (One-Time)	$354,913			$354,913					
(15) **Total Alberta Infrastructure Revenue**	$4,892,780			$4,892,780					
(16) **Alberta Finance**	$655,718			$655,718					$0
(17) **Other - Government of Alberta**	$51,860	$0	$30,160	$21,299	$0			$400	$0
(18) **Federal Government and/or First Nations**	$38,484	$0	$38,484	$0	$0			$0	$0
(19) **Other Alberta school authorities**	$21,253	$0	$20,453	$0	$0			$500	$300
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	($2,089)	$0	($2,089)	$0	$0			$0	$0
(22) **Instruction resource fees**	$60,974	$0	$60,974						
(23) **Transportation fees**	$0				$0				
(24) **Other sales and services**	$238,292	$0	$176,367	$4,562	$17,060			$14,537	$25,766
(25) **Investment income**	$206,859	$0	$103,683	$18,725	$11,255			$73,195	$0
(26) **Gifts and donations**	$99,840	$0	$99,750	$0	$0				$90
(27) **Rentals of facilities**	$21,889		$7,236	$4,025	$0			$6,628	$4,000
(28) **Net school generated funds**	$1,348,937	$0	$1,348,937	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$0		$0	$0	$0			$0	$0
(30) **Amortization of capital allocations**	$1,703,871		$91,405	$1,612,466	$0				$0
(31) **TOTAL REVENUES**	$44,454,271	$1,502,141	$30,937,141	$7,209,575	$3,051,075			$1,650,908	$103,431
EXPENSES									
(32) **Certificated salaries**	$19,536,576	$665,988	$18,567,931				$224,614	$224,614	$78,042
(33) **Certificated benefits**	$2,012,137	$64,898	$1,918,784				$20,703	$20,703	$7,752
(34) **Uncertificated salaries and wages**	$8,057,786	$380,533	$4,345,410	$1,770,918	$885,585	$84,612	$582,909	$667,522	$7,817
(35) **Uncertificated benefits**	$1,580,823	$58,182	$901,956	$379,460	$106,385	$17,230	$116,819	$134,049	$791
(36) **SUB - TOTAL**	$31,187,322	$1,169,602	$25,734,081	$2,150,378	$991,970	$101,842	$945,046	$1,046,888	$94,402
(37) **Services, contracts & supplies**	$7,937,765	$202,614	$3,049,815	$2,376,088	$1,617,239	$75,691	$607,289	$682,980	$9,029
(38) **Cost recoveries & transfers (must balance to zero)**	($0)	$0	$57,035	($13,909)	($36,461)	$0	($6,665)	($6,665)	$0
(39) **Net school generated funds**	$1,348,939	$0	$1,348,937	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,703,871	$0	$91,405	$1,612,466	$0		$0	$0	$0
(41) Unsupported	$1,140,611	$1,863	$759,896	$11,317	$314,776	$0	$52,760	$52,760	$0
(42) Total Amortization	$2,844,482	$1,863	$851,300	$1,623,783	$314,776	$0	$52,760	$52,760	$0
Interest on capital debt									
(43) Supported	$655,718	$0	$0	$655,718	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$893	$0	$757	$0	$0		$135	$135	$0
(46) Losses on disposal of capital assets	$5,400	$0	$5,400	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$43,980,518	$1,374,079	$31,047,326	$6,792,058	$2,887,524	$177,533	$1,598,565	$1,776,098	$103,431
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	$473,753	$128,062	($110,185)	$417,517	$163,551			($125,190)	$0

School Jurisdiction Code: 1325

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$14,220,511	$1,864,296	$259,213	$993,125	$852,039	$378,748	$0	$18,567,931
Certificated benefits	$1,489,227	$181,016	$24,862	$103,177	$89,387	$31,115	$0	$1,918,784
Uncertificated salaries and wages	$609,431	$1,609,710	$26,515	$472,405	$1,627,349	$0	$0	$4,345,410
Uncertificated benefits	$110,550	$337,034	$7,663	$98,417	$348,292	$0	$0	$901,956
SUB - TOTAL REMUNERATION	$16,429,719	$3,992,056	$318,252	$1,667,124	$2,917,067	$409,863	$0	$25,734,081
Services, contracts & supplies	$1,907,883	$595,561	$57,340	$71,331	$140,091	$277,609	$0	$3,049,815
Cost recoveries & transfers	$57,035	$0	$0	$0	$0	$0	$0	$57,035
Net school generated funds	$1,348,937							$1,348,937
Amortization of capital assets								
Supported	$91,405	$0	$0					$91,405
Unsupported	$759,896	$0	$0					$759,896
Total Amortization	$851,300	$0	$0					$851,300
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$757	$0						$757
Losses on disposal of capital assets	$5,400	$0						$5,400
TOTAL EXPENSES	$20,601,032	$4,587,617	$375,592	$1,738,456	$3,057,158	$687,472	$0	$31,047,326
FTE Certificated				15.8	12.0			
FTE Uncertificated				21.7	76.5			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$22,320,264	$2,208,260	$1,914,386	$374,915	$26,817,825	$22,340,852	$4,476,972
School Admin & Instruction Support Expenses						$4,587,617	($4,587,617)
System Instruction Support Expenses						$375,592	($375,592)
Total Basic Instruction	$22,320,264	$2,208,260	$1,914,386	$374,915	$26,817,825	$27,304,061	($486,236)
Sub-Programs & Initiatives							
Severely Disabled	$1,987,227	$0	$0		$1,987,227	$3,057,158	($1,069,931)
English as a Second Language	$7,360				$7,360	$7,360	($0)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$51,812		$0		$51,812	$41,120	$10,692
Institutional Programs	$101,614				$101,614	$131,827	($30,214)
Sparsity & Distance	$1,133,345				$1,133,345		$1,133,345
Growth & Density	$60,007				$60,007		$60,007
Teacher Assistants Program	$100,338				$100,338	$59,968	$40,369
Early Literacy Initiative (K-2)	$194,767				$194,767	$192,007	$2,760
Learning Resources Credit & Resources for the Classroom	$39,842	$142,778	$60,974		$243,594	$243,594	($0)
Technology Integration	$217,536		$0		$217,536	$0	$217,536
French Language Program & Francisation (all jurisdictions)	$0		$0		$0	$0	$0
Home Education	$21,717		$0		$21,717	$10,231	$11,486
Total Sub-Programs & Initiatives	$3,915,564		$60,974		$4,119,316	$3,743,265	$376,051
INSTRUCTION, GRADES 1-12	$26,235,828	$2,351,038	$1,975,360	$374,915	$30,937,141	$31,047,326	($110,185)

School Jurisdiction Code: 1325

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$27,520,433
Support Block - Transportation	$3,386,060
SUBTOTAL	$30,906,493

Other Revenues

Alberta Infrastructure (Operations & Maintenance and Lease support)	$3,652,708
Teacher Salary Enhancement	$1,162,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$51,860
Federal government/First Nations	$38,484
Other Alberta school authorities	$21,253
Out of province local authorities	$0
Alberta municipalities	-$2,089
Other sales and services	$238,292
Interest on investments	$206,859
Rentals of facilities	$21,889
Gains on disposal of capital assets	$0
Amortization of capital allocations	$1,703,871
School generated funds (Schedule E)	$1,694,225
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$39,695,843**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4%	**4.52%**
If "Total Net Enrolled Students" are 2,000 and less = 6%	

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%.

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$1,794,252

Considerations for Charter Schools and Small Boards:

If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$1,794,252**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$1,776,098
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$88,093
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$1,688,005

Maximum Expense Limit for Board & System Administration (Step 3)	$1,794,252
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$106,247

School Jurisdiction Code: 1325

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$842,328
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,694,225	
Less: SGF - related cost recoveries (Note 3)	$465,320	
- capitalized at the District level (Note 4)	$0	
Net Total	$1,228,905	
Plus: Donations Received (Note 5)	$88,979	
Equals: Net Additions to SGF		$1,317,884
Net SGF Available for discretionary spending		$2,160,212
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$1,348,939
Unexpended SGF - Closing Balance August 31, 2004		$811,273

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 1325

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$1,249,468	$315,185	$0	$107,970	$98,295	$1,770,918		$1,770,918
Uncertificated benefits	$267,090	$92,009	$0	$0	$20,361	$379,460		$379,460
Sub-total Remuneration	$1,516,558	$407,194	$0	$107,970	$118,656	$2,150,378		$2,150,378
Contracted Services	$9,775	$79,477	$0	$565,530	$0	$654,782		$654,782
Supplies	$23,480	$206,626	$0	$217,710	$0	$447,817		$447,817
Electricity			$598,508			$598,508		$598,508
Natural Gas/Heating Fuel			$443,576			$443,576		$443,576
Sewer and Water			$105,138			$105,138		$105,138
Telecommunications			$19,858			$19,858		$19,858
Insurance					$106,410	$106,410		$106,410
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,612,466	$1,612,466
Unsupported						$11,317		$11,317
Total Amortization						$11,317	$1,612,466	$1,623,783
Interest on capital debt								
Supported							$655,718	$655,718
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($13,909)		($13,909)
TOTAL EXPENSES	$1,549,814	$693,297	$1,167,080	$891,210	$225,066	$4,523,874	$2,268,184	$6,792,058
SQUARE METRES								
School Buildings								706,260.7
Non School Buildings								47,010.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe.
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components.
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications.
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations.
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations.
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt.

School Jurisdiction Code: 1325

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-2004
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:		0.0	$0	$0	$0			$0	$0
Name	Ms M Fisher	1.0	$13,331	$2,472	$0			$15,803	$6,603
Name	Mr H Pearson								
Other Board Members:		1.0	$14,706	$2,988	$0			$17,694	$6,868
Name	Ms M Fisher	1.0	$11,363	$2,898	$0			$14,261	$6,742
Name	Ms V Jorgensen	1.0	$18,206	$3,095	$0			$21,301	$6,888
Name	Mr G Kujala	1.0	$11,581	$2,803	$0			$14,385	$4,719
Name	Ms R Taylor	1.0	$15,425	$2,973	$0			$18,398	$7,450
Name	Ms G Thomas	0.0	$0	$0	$0			$0	$0
Name	Mr H Pearson	0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		*6.0*	*$84,612*	*$17,230*	$0			*$101,842*	*$39,270*
Subtotal									
Superintendent	J Greg Thomas	1.0	$119,337	$9,120	$0	$0	$0	$128,457	$22,166
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Cody G McClintock	1.0	$99,967	$16,119	$0	$0	$0	$116,086	$9,822
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		272.9	$19,373,302	$2,003,018	$0	$0	$43,937	$21,420,257	
Uncertificated Salaries & Wages		1,220.0	$7,873,207	$1,547,474	$0	$0	$0	$9,420,681	
TOTALS			$27,550,425	$3,592,960	$0	$0	$43,937	$31,187,323	

Note: Employed or contracted out Please refer to completion information on page 15

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual).

School Jurisdiction Code: 54

AUDITED
FINANCIAL STATEMENTS
and Supporting Schedules
FOR THE YEAR ENDED AUGUST 31, 2004
[School Act, Sections 147(2)(a), 148, 151(1) and 276]

WOLF CREEK SCHOOL DIVISION NO.72
Legal Name of School Jurisdiction

6000 Highway 2A Ponoka, Alberta T4J 1P6
Mailing Address

Phone (403)783-3473 Fax (403)783-3483
Telephone and Fax Numbers

SCHOOL JURISDICTION MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements and supporting schedules WOLF CREEK SCHOOL DIVISION NO 72 (Legal Name of School Jurisdiction) presented to Alberta Learning have been prepared by school jurisdiction management which has responsibility for their preparation, integrity and objectivity. The financial statements and schedules, including notes, have been prepared in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

In fulfilling its reporting responsibilities, management has maintained internal control systems and procedures designed to provide reasonable assurance that the school jurisdiction's assets are safeguarded, that transactions are executed in accordance with appropriate authorization and that accounting records may be relied upon to properly reflect the school jurisdiction's transactions. The effectiveness of the control systems is supported by the selection and training of qualified personnel, an organizational structure that provides an appropriate division of responsibility and a strong budgetary system of control.

Board of Trustees Responsibility
The ultimate responsibility for the financial statements lies with the Board of Trustees. The Board reviewed the financial statements with management in detail and the Board approved the financial statements for release.

External Auditors
The Board appoints external auditors to audit the financial statements and meets with the auditors to review their findings. The external auditors have full and free access to school jurisdiction records.

Declaration of Management and Board Chairman
To the best of our knowledge and belief, these financial statements and supporting schedules reflect, in all material respects, the financial position and results of operations and cash flows for the year in accordance with generally accepted accounting principles and Ministerial requirements for Alberta school jurisdictions.

BOARD CHAIRMAN

Karin Engen	**"ORIGINAL SIGNED"**
Name	**Signature**

SUPERINTENDENT

Dr. Larry Jacobs	**"ORIGINAL SIGNED"**
Name	**Signature**

SECRETARY TREASURER OR TREASURER

Joe Henderson C.G.A.	**"ORIGINAL SIGNED"**
Name	**Signature**

25-Nov-04
Board-approved Release Date

c.c. **ALBERTA LEARNING, School Reporting Branch,**
8th Floor Commerce Place, 10155-102 Street, Edmonton AB T5J 4L5
EMAIL: Cindy.Jarry@gov.ab.ca
PHONE: (780) 427-7782 FAX: (780) 422-6996

ROWLAND, PARKER & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

H.G. ROWLAND, CA*
L.R. PARKER, CA*
T.D. ROWLAND, CA*
A.J. ROWLAND, CA
G.R. PARKER, CA

Area Code 403
Telephone 783-3315
P.O. Box 4008
Ponoka, Alberta
T4J 1R5

AUDITORS' REPORT

To the Board of Trustees of
Wolf Creek School Division No. 72

We have audited the statement of financial position of the Wolf Creek School Division No. 72 as at August 31, 2004 and the statements of revenues and expenses, cash flows, changes in net assets and capital allocations for the year then ended. These financial statements are the responsibility of the school jurisdiction's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the school jurisdiction as at August 31, 2004 and the result of its operations, changes in cash flows, net assets and capital allocations for the year then ended in accordance with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A through G is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Ponoka, Alberta
November 15, 2004

Signed Rowland, Parker & Associates
Chartered Accountants

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* DENOTES PROFESSIONAL CORPORATION

School Jurisdiction Code: 54

STATEMENT OF FINANCIAL POSITION

as at August 31

(in dollars)

		2004	2003
ASSETS			
Current assets			
Cash and temporary investments		$17,613,782	$30,191,437
Accounts receivable (net after allowances)		$2,309,538	$1,716,257
Prepaid expenses		$431,620	$438,595
Other current assets		$6,509	$6,509
Total current assets		$20,361,449	$32,352,798
School generated assets		$784,339	$842,824
Trust assets		$978,478	$636,760
Long term accounts receivable		$0	$0
Long term investments		$0	$0
Capital assets			
Land		$652,701	$541,525
Buildings	$63,175,518		
Less: accumulated amortization	($27,194,436)	$35,981,082	$28,781,192
Equipment	$2,258,227		
Less: accumulated amortization	($1,728,196)	$530,031	$617,083
Vehicles	$7,987,014		
Less: accumulated amortization	($4,073,459)	$3,913,555	$3,641,559
Total capital assets		$41,077,369	$33,581,359
TOTAL ASSETS		$63,201,635	$67,413,741
LIABILITIES			
Current liabilities			
Bank indebtedness		$0	$0
Accounts payable and accrued liabilities		$2,481,608	$3,964,784
Deferred revenue		$1,102,647	$1,319,139
Deferred capital allocations		$9,730,887	$16,549,712
Current portion of all long term debt		$412,413	$495,343
Total current liabilities		$13,727,555	$22,328,978
School generated liabilities		$784,339	$842,824
Trust liabilities		$978,478	$636,760
Employee future benefits liability		$0	$0
Long term debt			
Supported: Debentures and other supported debt		$4,045,176	$4,540,519
Less: Current portion of supported debt		($412,413)	($495,343)
Unsupported: Debentures and Capital Loans		$0	$0
Capital Leases		$0	$0
Mortgages		$0	$0
Less: Current portion of unsupported debt		$0	$0
Unamortized capital allocations		$30,409,625	$23,854,167
Total long term liabilities		$35,805,205	$29,378,927
TOTAL LIABILITIES		$49,532,760	$51,707,905
NET ASSETS			
Unrestricted net assets		$1,030,237	$1,217,453
Operating Reserves		$4,264,929	$6,566,666
Accumulated Operating Surplus (Deficit)		$5,295,166	$7,784,119
Investment in capital assets		$6,622,566	$5,186,673
Capital Reserves		$1,751,143	$2,735,044
Total Capital Funds		$8,373,709	$7,921,717
Total net assets		$13,668,875	$15,705,836
TOTAL LIABILITIES AND NET ASSETS		$63,201,635	$67,413,741

Note: Input "(Restated)" in 2003 column heading where comparatives are not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 54

STATEMENT OF REVENUES AND EXPENSES

for the Year Ended August 31

(in dollars)

	Actual 2004	Budget 2004	Actual 2003
REVENUES			
Alberta Learning	$48,464,140	$48,521,448	$48,281,719
Alberta Infrastructure	$5,842,102	$5,632,560	$5,739,245
Alberta Finance	$432,986	$500,149	$500,149
Other Government of Alberta	$275,719	$259,160	$293,952
Federal Government and/or First Nations	$1,713,965	$1,437,299	$1,526,254
Other Alberta school authorities	$3,942	$3,942	$10,388
Out of province authorities	$0	$0	$0
Alberta Municipalities	$275,476	$212,059	$267,108
Instruction resource fees	$766,224	$648,612	$710,813
Transportation fees	$127,112	$110,000	$102,008
Other sales and services	$622,550	$429,215	$524,363
Investment income	$421,914	$488,000	$439,407
Gifts and donations	$23,508	$2,800	$29,206
Rentals of facilities	$15,593	$10,232	$15,448
Net school generated funds	$169,689	$120,000	$220,545
Gains on disposal of capital assets	$111,879	$7,500	$10,460
Amortization of capital allocations	$1,488,745	$1,643,763	$1,643,763
Total Revenues	$60,755,544	$60,026,739	$60,314,828
EXPENSES			
Certificated salaries	$31,041,871	$30,419,964	$29,960,004
Certificated benefits	$3,325,714	$3,189,220	$3,254,642
Uncertificated salaries and wages	$11,318,616	$10,996,331	$11,144,344
Uncertificated benefits	$2,415,539	$2,552,883	$2,272,208
Services, contracts and supplies	$11,854,636	$12,023,060	$10,851,394
Net school generated funds	$169,689	$120,000	$220,545
Capital and debt services			
Amortization of capital assets			
Supported	$1,488,745	$1,643,763	$1,643,763
Unsupported	$743,959	$711,491	$710,799
Total Amortization of capital assets	$2,232,704	$2,355,254	$2,354,562
Interest on capital debt			
Supported	$432,986	$500,149	$500,149
Unsupported	$0	$0	$0
Total Interest on capital debt	$432,986	$500,149	$500,149
Other interest charges	$750	$100	$35
Losses on disposal of capital assets	$0	$0	$0
Total Expenses	$62,792,505	$62,156,961	$60,557,883
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES BEFORE UNRESTRICTED REVENUES USED FOR CAPITAL PURPOSES AND EXTRAORDINARY ITEM	($2,036,961)	($2,130,222)	($243,055)
Unrestricted revenues used for capital purposes	$0	$0	$0
Extraordinary Item	$0	$0	$0
SURPLUS (DEFICIT) OF REVENUES OVER EXPENSES	($2,036,961)	($2,130,222)	($243,055)

Note: Input "(Restated)" in Budget 2004 and/or Actuals 2003 column headings where comparatives are not taken from the respective finalized 2003-2004 Budget Report and/or finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 54

STATEMENT OF CASH FLOWS

for the Year Ended August 31

(in dollars)

	2004	2003
CASH FLOWS FROM:		
A. OPERATIONS		
Surplus (deficit) of revenues over expenses for the year	($2,036,961)	($243,055)
Add (Deduct) items not requiring cash:		
Amortization of capital allocations revenue	($1,488,745)	($1,643,763)
Total amortization expense	$2,232,704	$2,354,562
Gains on disposal of capital assets	($111,879)	($10,460)
Losses on sale of capital assets	$0	$0
Changes in accrued accounts:		
Accounts receivable	($593,281)	($619,245)
Prepaids and other current assets	$6,975	$44,196
Long term accounts receivable	$0	$0
Long term investments	$0	$0
Payables and accrued liabilities	($1,483,176)	$923,295
Deferred revenue	($216,492)	($125,413)
Employee future benefits	$0	$0
Other (describe)	$0	$0
Total sources (uses) of cash from Operations	($3,690,855)	$680,117
B. INVESTING ACTIVITIES		
Purchases of capital assets		
Land	($145,084)	$0
Buildings	($8,690,080)	($3,943,056)
Equipment	($97,799)	($142,277)
Vehicles	($829,657)	($902,195)
Net proceeds from disposal of capital assets	$145,785	$10,460
Other (describe)	$0	$0
Total sources (uses) of cash from Investing activities	($9,616,835)	($4,977,068)
C. FINANCING ACTIVITIES		
Capital allocations received	$730,035	$719,910
Issue of long term debt	$0	$0
Repayment of long term debt	($495,343)	($628,102)
Add back: supported portion	$495,343	$628,101
Other (describe)	$0	$0
Total sources (uses) from Financing activities	$730,035	$719,909
Net sources (uses) of cash equivalents* during year	($12,577,655)	($3,577,042)
Cash Equivalents at the beginning of the year	$30,191,437	$33,768,479
Cash Equivalents at the end of the year	$17,613,782	$30,191,437

Notes: Cash equivalents consist of cash and temporary investments net of bank indebtnessness.

Input "(Restated)" in 2003 column heading where not taken from the finalized 2002-2003 Audited Financial Statements.

School Jurisdiction Code: 54

STATEMENT OF CHANGES IN NET ASSETS
for the Year Ended August 31, 2004
(in dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
					RESTRICTED NET ASSETS									
					School Based		Infrastructure		Board & System Admin.		Transportation		External Services	
	TOTAL NET ASSETS (Columns 2+3+4)	INVESTMENT IN CAPITAL ASSETS	UNRESTRICTED NET ASSETS	TOTAL RESTRICTED NET ASSETS (Columns 5 to 14)	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported O & M Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves	Unsupported Operating Reserves	Unsupported Capital Reserves
Balance at August 31, 2003	$15,705,836	$5,186,673	$1,217,453	$9,301,710	$4,519,318	$0	$1,168,214	$888	$490,885	$2,152,564	$388,249	$581,592	$0	$0
Prior period adjustments (describe)														
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted Balance, Aug.31, 2003	$15,705,836	$5,186,673	$1,217,453	$9,301,710	$4,519,318	$0	$1,168,214	$888	$490,885	$2,152,564	$388,249	$581,592	$0	$0
Surplus(def) of revenue over expenses	($2,036,961)		($2,036,961)											
Board funded capital transactions		$2,213,758	$0	($2,213,758)	($74,800)	$0	($213,059)	$0	($34,603)	($932,458)	($958,838)	$0	$0	$0
Donations of non-amortizable assets	$0	$0												
Amortization of capital assets		($2,232,704)	$2,232,704											
Amortization of capital allocations		$1,488,745	($1,488,745)											
Disposal of unsupported capital assets		($33,906)	($97,589)	$131,495		$0		$0		$44,276		$87,219		$0
Disposal of supported capital assets-unsupported portion		$0	$0			$0		$0		$0		$0		$0
Debt principal payments (unsupported)		$0	$0											
Net transfers to operating reserves			($1,325,386)	$1,325,386	$201,506		$311,766		$0		$812,114		$0	
Net transfers from operating reserves			$2,345,823	($2,345,823)	($2,159,364)		($24,660)		($74,580)		($87,219)		$0	
Net transfers to capital reserves			$0	$0		$0		$0		$0		$0		$0
Net transfers from capital reserves			$182,938	($182,938)		$0		$0		$0		($182,938)		$0
Balance at August 31, 2004	$13,668,875	$6,622,566	$1,030,237	$6,016,072	$2,486,660	$0	$1,242,261	$888	$381,702	$1,264,382	$154,306	$485,873	$0	$0

School Jurisdiction Code: 54

STATEMENT OF CAPITAL ALLOCATIONS
(SUPPORTED CAPITAL FINANCING ONLY)
for the Year Ended August 31, 2004

(in dollars)

		Deferred Capital Allocations	Unamortized Capital Allocations
Balance at August 31, 2003		$16,549,712	$23,854,167
Add:			
Capital allocations from:	AB Infrastructure - New/Modernization Projects	$185,978	
	Other Government of Alberta	$20,210	
	Federal Government and/or First Nations	$0	
	Other sources	$0	
Interest earned on provincial government capital allocations		$509,557	
Other capital grants and donations		$0	
Proceeds on disposal of supported capital assets		$14,290	
Insurance proceeds		$0	
Donated capital assets (depreciable, at Fair Market Value)			$0
Transferred in capital assets (depreciable)			$0
Current Year Debenture Principal Repayment			$495,343
Expended capital allocations - current year		($7,548,860)	$7,548,860
Less:			
Unamortized Capital Allocation affected by a disposal through transfer out			$0
Capital allocations amortized to revenue			$1,488,745
Balance at August 31, 2004		$9,730,887	$30,409,625

Note: Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2004

1. Authority and Purpose

The School Jurisdiction delivers education programs under the authority of the School Act, Revised Statutes of Alberta 2000, Chapter S-3.

The jurisdiction receives block allocations for instruction and support under Regulation 77/2003. The regulation allows for the setting of conditions and use of grant monies. The School Jurisdiction is limited on administration expenses and is permitted to reallocate funding within the Alberta Learning instruction and support block areas.

2. Summary of Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles with the significant accounting policies being as follows:

a. Revenue Recognition

Revenue is recognized as follows:

Instruction and support allocations are recognized in the year to which they relate.

Fees for services related to courses and programs are recognized as revenue when such courses and programs are delivered.

Capital allocations from the province or other agencies are recorded as deferred capital contributions until spent. Once spent, they are transferred to unamortized capital allocations which are amortized to revenue on the same basis as the capital asset acquired by the grant.

Unrestricted contributions are recognized as revenue when received or receivable. Contributions in kind are recorded at fair market value when reasonably determinable.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restriction is complied with. Endowment funds which are to be retained as net assets are recorded as direct increases in trust assets and liabilities.

b. Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives on a straight line basis at the following rates:

Buildings	2.5% to 4%
Equipment and Furnishings	10% and 20%
Vehicles and buses	10% and 20%

Only capital assets with costs in excess of $5,000 are capitalized. Any allocations received for asset additions are amortized over the same period as the related asset.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2004

Summary of Significant Accounting Policies (continued...)

c. Inventories

Inventories are recorded at the lesser of cost and net realizable value.

d. School Generated Funds

These are funds in the community, which come under the control and responsibility of the school principal and are for school activities. These funds are usually collected and retained at the school for expenditures paid at the school level (eg. Yearbook sales, graduation fees, field trip fees, etc.)

e. Vacation Pay

Vacation pay is accrued in the period in which the employee earns the benefit.

f. Contributed Services

Volunteers contribute a considerable number of hours per year to various schools, which are within the school board to ensure that certain programs are delivered, such as kindergarten, lunch services and the raising of school generated funds. Because of the difficulty of compiling these hours and the fact that these services are not otherwise purchased, contributed services are not recognized in the financial statements.

g. Pension Obligation

Pension costs included in these statement comprise the cost of employer contributions for current service of employees during the year.

The current service and past service costs of the Alberta Teacher Retirement Fund are met by contributions by active members and the Government of Alberta. Under the terms of the Teachers Pension Plan Act, the Wolf Creek School Division does not make pension contributions for certificated staff.

The school board participates in the multi-employer pension plan, Local Authorities Pension Plan. The expense for this pension plan is equivalent to the annual contributions of $525,282 for the year ended August 31, 2004. At December 31, 2003, the Local Authorities Pension Plan reported an actuarial deficiency of $1,410,987,000 (2002 deficiency of $444,980,000).

h. Prepaid Expenses

Certain expenditures incurred and paid before the close of the school year are for specific school supplies, which will be consumed subsequent to the year-end, and are accordingly recorded as prepaid expenses. Certain insurance expenses fall into this category.

i. Financial Instruments

The jurisdiction=s financial instruments consist of cash, accounts receivable, accounts payable, accrued liabilities, and long-term debt. It is management=s opinion that the jurisdiction is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying values. The jurisdiction has invested surplus funds in accordance with Section 60 of the School Act and Section 5 of the Trustees Act.

j. Operating and Capital Reserves

Reserves are established at the discretion of the Board of Trustees of the jurisdiction or externally, to set aside funds for operating and for future capital expenditures. Such reserves are appropriations of accumulated surplus.

k. Employee Future Benefits

The jurisdiction accounted for the future cost of employee benefits commencing in the 2000/2001 school year using the retroactive approach. As a result of the adoption of this accounting policy, there was no financial impact on the jurisdiction.

l. Investments

Investments are recorded at the lower of cost and market value.

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2004

3. Restricted Cash

Included in cash balances are unexpended capital funding grant receipts of $9,730,887 and capital reserve funding in the amount of $1,751,143. These funds are not available to fund current operations as they must be expended on capital projects.

4. Accounts Receivable

	2004	2003
Alberta Learning	236,680	107,037
Alberta Infrastructure	1,020,889	642,133
Alberta Finance	180,868	206,499
Other Province of Alberta	9,800	9,800
Federal Government	179,947	253,650
First Nations	343,905	248,529
Alberta Municipalities	190,000	-
Other Alberta school jurisdictions	-	-
Other	147,449	248,609
	2,309,538	1,716,257

5. Internally Restricted Net Assets

Net assets may be restricted by authorization of the Board of Trustees for future capital expenditures and future operating expenditures. The amounts are established and expended in accordance with terms and conditions established by the board.

Operating Reserves	2003	Appropriated	Used	2004
School	4,519,318	201,506	(2,234,164)	2,486,660
Operations and maintenance	1,168,214	311,766	(237,719)	1,242,261
Board & system administration	490,885	-	(109,183)	381,702
Transportation	388,249	812,114	(1,046,057)	154,306
	6,566,666	1,325,386	(3,627,123)	4,264,929

Capital Reserves (Building, Vehicle and Equipment)	2003	Appropriated	Used	2004
Board and System Administration	2,152,564	44,277	(932,458)	1,264,383
Transportation	581,592	87,219	(182,938)	485,873
Alberta Infrastructure	888	0	-	888
	2,735,044	131,496	(1,115,396)	1,751,144

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2004

6. Capital Assets

Asset	Cost	Accumulated Amortization	Net Book Value 2004	Net Book Value 2003
Land	652,701	-	652,701	541,525
Buildings	63,175,518	27,194,436	35,981,082	28,781,192
Vehicles	7,987,014	4,073,459	3,913,555	3,641,559
Equipment	2,258,227	1,728,196	530,031	617,083
Total	74,073,460	32,996,091	41,077,369	33,581,359

7. Accounts Payable and Liabilities

		2004	2003
Alberta Learning	$	34,565	340,173
Alberta Infrastructure		-	-
Alberta Finance		180,868	203,741
Other Province of Alberta		21,122	6,825
Federal Government		6,771	9,430
Alberta Municipalities		28,775	48,854
Other Alberta School Jurisdictions		61,768	51,872
Other Trade payables and accrued liabilities		2,147,739	3,303,889
Total	$	2,481,608	3,964,784

8. Deferred Revenue

		2004	2003
Infrastructure Maintenance Program	$	688,619	632,662
One time operations and maintenance support		206,791	444,343
One time grant funding		22,060	25,051
2003 Budget one time grant for transportation		-	66,000
Alberta Learning Aboriginal Grant		50,000	-
Other		135,177	151,083
Total	$	1,102,647	1,319,139

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2004

9. Trust Assets and Liabilities

		2004	2003
Scholarship trusts	$	279,798	296,326
Student health initiative trust (banker board)		698,680	340,434
Total	$	978,478	636,760

10. Long Term Debt

1. Debenture Debt - Supported

The debenture debt bears interest at rates varying between 6% and 12%. The debenture debt is fully supported by Alberta Finance. The current portion of long-term debt consists entirely of amounts payable by Alberta Finance on supported debt; therefore, the working capital (current assets minus current liabilities) is understated by this amount. Debenture principal payments due over the next five years and beyond are as follows:

	Principal	Interest		Total
2004-2005	412,413	407,582		819,995
2005-2006	400,095	365,208		765,303
2006-2007	353,295	324,035		677,330
2007 to 2008	353,295	288,010		641,305
2008 to 2009	332,595	251,985		584,580
2009 to maturity	2,193,483	850,000	(Estimated)	3,043,483
Total	4,045,176	2,486,820		6,531,996

WOLF CREEK SCHOOL DIVISION #72

Notes to Financial Statements
August 31, 2004

11. Deferred Capital Allocations

Deferred capital allocations represent externally-restricted supported capital funds provided for a specific capital purpose that have been received or are receivable by the jurisdictions, but the related expenditure has not yet been made at year-end. These unspent deferred capital allocations are not amortized until the expenditure has been made and it is at that time that the balance is transferred to the unamortized capital allocations account.

12. Unamortized Capital Allocations

Unamortized capital allocations represent externally-restricted supported capital funds that have been spent, but have yet to be amortized over the useful life of the applicable capital asset to which the restricted capital allocations apply. The unamortized capital allocations account balance is increased by transfers of previously deferred capital allocations now spent, as well as fully-supported debentured capital funds, as the principal is repaid.

13. Contingencies

Contingent Asset

1. The jurisdiction is a member of a reciprocal insurance exchange called ASBIE. A portion of the premiums paid each year represents equity contributions to the insurance fund. These payments have been recorded as expenditures in the financial statements as the value of equity is subject to liability claims and is not an asset that the jurisdiction can liquidate.

14. Commitments and Contractual Obligations

A. Leases:

The school jurisdiction has entered into various operating leases for certain equipment and real estate. Annual rentals payable under long term lease agreements are as follows for the year ending in:

2004/2005	$	149,122
2005/2006		93,482
2006/2007		13,040
2007/2008		6,369
2008/2009		1,044
	$	263,057

B. Contractual Obligations:

(a) The school division has entered into contracts with various companies to provide janitorial and building climate control services. The annual cost of the contracts over their remaining terms is as follows:

Fiscal Year	Amount of Obligation
2004/2005	$ 561,942
2005/2006	342,996

(b) During the year the Wolf Creek School Division entered into a contract with a construction company for the renovation and addition to it's administration office. The total amount of contract is $1,244,521 plus GST. The contract is scheduled for completion in early December 2004.

The school division has also entered into contracts with various contractors to provide busing services for students. The annual cost of the busing contracts over the remaining terms of the contracts is as follows:

2004/2005	$	546,339
2005/2006		559,998
2006/2007		573,998

16. Economic Dependence on Related Party

The Wolf Creek School Division=s primary source of income is derived from the Alberta Government. The Division=s ability to continue viable operations is dependent on this funding.

17. Budget Amounts

The budget was prepared by the School jurisdiction management with approval granted by the Board of Trustees. It is presented for information purposes only and has not been audited.

18. Subsequent Event

Subsequent to year end, the Wolf Creek School Division entered into negotiations with it's teacher union for the purpose of negotiating contract terms effective September 1, 2004. As at reporting date, these negotiations were not concluded and the financial effect of these negotiations, if any, could not be determined as at reporting date.

SCHEDULE A to the AFS
ALLOCATION OF REVENUES AND EXPENSES TO PROGRAMS - 2003-2004

School Jurisdiction Code: 54

REVENUES	TOTAL	Early Childhood Services	Total Instruction (Grades 1 to 12)	Operations and Maintenance of Schools & Maintenance Shops	Transportation	Board & System Administration			External Services
						Board Governance	System Administration	Total Board & System Admin	
Alberta Learning allocations									
(1) Instruction block	$38,611,977	$1,819,886	$36,792,091						
(2) Support block	$6,115,687				$4,213,097			$1,902,590	
(3) Instruction & support block reallocations	$0	($143,641)	$143,641		$0			$0	$0
(4) Alberta Initiative for School Improvement (AISI)	$937,440	$0	$937,440						
(5) Student Health Initiative (SHI)	$238,953	$0	$166,788						$72,165
(6) Supernet Access	$0		$0					$0	
(7) Teacher Salary Enhancement (TSE)	$1,725,000	$0	$1,725,000					$0	$0
(8) Regional P.D. Consortium (6 boards only)	$0								$0
(9) Regional Assessment Services (4 boards only)	$0								$0
(10) Other Alberta Learning revenues	$835,083	$0	$835,083	$0	$0			$0	$0
(11) **Total Alberta Learning Revenue**	$48,464,140	$1,676,245	$40,600,043	$0	$4,213,097			$1,902,590	$72,165
Alberta Infrastructure									
(12) Expensed IMP (BQRP) support & portable relocations	$541,484			$541,484					
(13) Operations & Maintenance support	$5,019,189			$5,019,189					
(14) Operations & Maintenance support (One-Time)	$281,429			$281,429					
(15) **Total Alberta Infrastructure Revenue**	$5,842,102			$5,842,102					
(16) **Alberta Finance**	$432,986			$432,986					$0
(17) **Other - Government of Alberta**	$275,719	$0	$265,919	$9,800	$0			$0	$0
(18) **Federal Government and/or First Nations**	$1,713,965	$0	$1,461,771	$197,379	$0			$54,815	$0
(19) **Other Alberta school authorities**	$3,942	$0	$3,942	$0	$0			$0	$0
(20) **Out of province authorities**	$0	$0	$0	$0	$0			$0	$0
(21) **Alberta municipalities**	$275,476	$0	$275,476	$0	$0			$0	$0
(22) **Instruction resource fees**	$766,224	$13,710	$752,514						
(23) **Transportation fees**	$127,112				$127,112				
(24) **Other sales and services**	$622,550	$1,198	$600,975	$8,931	$860			$10,586	$0
(25) **Investment income**	$421,914	$0	$342,835	$40,430	$22,377			$16,272	$0
(26) **Gifts and donations**	$23,508	$0	$23,508	$0	$0				$0
(27) **Rentals of facilities**	$15,593		$15,277	$216	$0			$100	$0
(28) **Net school generated funds**	$169,689	$0	$169,689	$0	$0			$0	$0
(29) **Gains on disposal of capital assets**	$111,879		$0	$24,660	$87,219			$0	$0
(30) **Amortization of capital allocations**	$1,488,745		$23,825	$1,464,920	$0				$0
(31) **TOTAL REVENUES**	$60,755,544	$1,691,153	$44,535,774	$8,021,424	$4,450,665			$1,984,363	$72,165
EXPENSES									
(32) **Certificated salaries**	$31,041,871	$798,246	$29,761,049				$482,576	$482,576	$0
(33) **Certificated benefits**	$3,325,714	$84,777	$3,201,170				$39,767	$39,767	$0
(34) **Uncertificated salaries and wages**	$11,318,616	$539,219	$6,828,176	$1,278,896	$1,906,132	$95,820	$610,513	$706,333	$59,860
(35) **Uncertificated benefits**	$2,415,539	$102,089	$1,581,280	$290,525	$297,728	$13,128	$127,091	$140,219	$3,698
(36) **SUB - TOTAL**	$48,101,740	$1,524,331	$41,371,675	$1,569,421	$2,203,860	$108,948	$1,259,947	$1,368,895	$63,558
(37) **Services, contracts & supplies**	$11,854,636	$166,822	$5,007,223	$4,301,718	$1,680,968	$124,348	$564,950	$689,298	$8,607
(38) **Cost recoveries & transfers (must balance to zero)**	$0	$0	$122,726	($59,387)	($63,339)	$0	$0	$0	$0
(39) **Net school generated funds**	$169,689	$0	$169,689	$0	$0	$0	$0	$0	$0
Capital and debt services									
Amortization of capital assets									
(40) Supported	$1,488,745	$0	$23,825	$1,464,920	$0		$0	$0	$0
(41) Unsupported	$743,959	$0	$136,400	$30,350	$553,717	$0	$23,492	$23,492	$0
(42) Total Amortization	$2,232,704	$0	$160,225	$1,495,270	$553,717	$0	$23,492	$23,492	$0
Interest on capital debt									
(43) Supported	$432,986	$0	$0	$432,986	$0		$0	$0	$0
(44) Unsupported	$0	$0	$0	$0	$0	$0	$0	$0	$0
(45) Other interest charges	$750	$0	$0	$0	$0		$750	$750	$0
(46) Losses on disposal of capital assets	$0	$0	$0	$0	$0	$0	$0	$0	$0
(47) **TOTAL EXPENSES**	$62,792,505	$1,691,153	$46,831,538	$7,740,008	$4,375,206	$233,296	$1,849,139	$2,082,435	$72,165
(48) Surplus(deficit) before unrestricted revenues used for capital purposes	($2,036,961)	$0	($2,295,764)	$281,416	$75,459			($98,072)	$0

School Jurisdiction Code: 54

SCHEDULE B to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Expenses

EXPENSES	INSTRUCTION (Grades 1 to 12)							
	All Student Instruction	School Admin. & Instruction Support	System Instruction Support	Mildly & Moderately Disabled and Gifted & Talented	Severely Disabled	Alberta Initiative for School Improvement	Student Health Initiative	Total Instruction (Grades 1 to 12)
Certificated salaries	$23,066,287	$2,611,691	$0	$2,010,650	$1,314,674	$757,747	$0	$29,761,049
Certificated benefits	$2,520,434	$241,302	$0	$218,561	$151,572	$69,301	$0	$3,201,170
Uncertificated salaries and wages	$1,619,794	$2,341,745	$0	$500,896	$2,205,835	$28,601	$131,305	$6,828,176
Uncertificated benefits	$340,193	$545,636	$0	$118,449	$531,467	$10,052	$35,483	$1,581,280
SUB - TOTAL REMUNERATION	$27,546,708	$5,740,374	$0	$2,848,556	$4,203,548	$865,701	$166,788	$41,371,675
Services, contracts & supplies	$3,802,882	$837,997	$0	$32,842	$164,755	$168,747	$0	$5,007,223
Cost recoveries & transfers	$122,726	$0	$0	$0	$0	$0	$0	$122,726
Net school generated funds	$169,689							$169,689
Amortization of capital assets								
Supported	$23,825	$0	$0					$23,825
Unsupported	$136,400	$0	$0					$136,400
Total Amortization	$160,225	$0	$0					$150,225
Interest on capital debt								
Supported	$0	$0						$0
Unsupported	$0	$0						$0
Other interest charges	$0	$0						$0
Losses on disposal of capital assets	$0	$0						$0
TOTAL EXPENSES	$31,802,230	$6,578,371	$0	$2,881,398	$4,368,303	$1,034,448	$166,788	$46,831,538
FTE Certificated				30.5	20.1			
FTE Uncertificated				19.8	87.4			

SCHEDULE C to the AFS
INSTRUCTION Grades 1 to 12 Program 2003-2004 Details

	AB LEARNING INSTRUCTION BLOCK REVENUE	ALBERTA LEARNING OTHER REVENUE	NON-ALBERTA LEARNING REVENUE	INSTRUCTION BLOCK REALLOCATION	TOTAL REVENUE	TOTAL EXPENSES	NET
Basic Instruction	$31,657,838	$3,272,498	$3,023,641	$143,641	$38,097,618	$32,838,090	$5,259,528
School Admin & Instruction Support Expenses						$6,578,371	($6,578,371)
System Instruction Support Expenses						$0	$0
Total Basic Instruction	$31,657,838	$3,272,498	$3,023,641	$143,641	$38,097,618	$39,416,461	($1,318,843)
Sub-Programs & Initiatives							
Severely Disabled	$3,201,880	$248,000	$157,236		$3,607,116	$4,368,303	($761,187)
English as a Second Language	$108,192				$108,192	$110,613	($2,421)
Enhanced Opportunities	$0				$0	$0	$0
First Nations, Metis, and Inuit Education	$110,763		$0		$110,763	$145,715	($34,952)
Institutional Programs	$322,014				$322,014	$322,014	$0
Sparsity & Distance	$472,704				$472,704		$472,704
Growth & Density	$64,550				$64,550		$64,550
Teacher Assistants Program	$133,302				$133,302	$138,527	($5,225)
Early Literacy Initiative (K-2)	$242,385				$242,385	$309,699	($67,314)
Learning Resources Credit & Resources for the Classroom	$56,201	$143,813	$752,514		$952,528	$952,528	$0
Technology Integration	$309,936		$0		$309,936	$918,905	($608,969)
French Language Program & Francisation (all jurisdictions)	$33,262		$0		$33,262	$33,262	$0
Home Education	$79,064		$2,340		$81,404	$115,511	($34,107)
Total Sub-Programs & Initiatives	$5,134,253		$912,090		$6,438,156	$7,415,077	($976,921)
INSTRUCTION, GRADES 1-12	$36,792,091	$3,664,311	$3,935,731	$143,641	$44,535,774	$46,831,538	($2,295,764)

School Jurisdiction Code: 54

SCHEDULE D to the AFS

CALCULATION OF MAXIMUM ELIGIBLE EXPENSE LIMITS FOR BOARD (GOVERNANCE) AND SYSTEM ADMINISTRATION 2003-2004

STEP 1

Determine the total eligible revenue which is used as the BASE TOTAL to calculate the maximum eligible expense limits for Board and System Administration

Total Revenues (Schedule A):

Instruction Block - Grades ECS -12 (excluding technology integration)	$38,302,041
Support Block - Transportation	$4,213,097
SUBTOTAL	$42,515,138
Other Revenues	
Alberta Infrastructure (Operations & Maintenance and Lease support)	$5,019,189
Teacher Salary Enhancement	$1,725,000
Other Alberta Learning revenues (Describe)	$0
Other - Government of Alberta (Excluding Alberta Finance)	$275,719
Federal government/First Nations	$1,713,965
Other Alberta school authorities	$3,942
Out of province local authorities	$0
Alberta municipalities	$275,476
Other sales and services	$622,550
Interest on investments	$421,914
Rentals of facilities	$15,593
Gains on disposal of capital assets	$111,879
Amortization of capital allocations	$1,488,745
School generated funds (Schedule E)	$1,520,618
BASE TOTAL FOR CALCULATING MAXIMUM EXPENSE LIMIT	**$55,709,728**

STEP 2

Calculation of maximum expense limit PERCENTAGE for Board and System Administration expenses

If "Total Net Enrolled Students" are 6,000 and over = 4% If "Total Net Enrolled Students" are 2,000 and less = 6%	**4.00%**

The Maximum Expense Limit for Board and System Administration is based on an arithmetical proration for the TOTAL FTE count for grades 1 - 12, net of Home Education AND Adult students, between 2,000 to 6,000 at .0005 per FTE.

EXAMPLE: 4,500 FTE count grades 1-12 = 6,000 - 4,500 = 1,500 X .0005 = .75% plus 4% = maximum expense limit of 4.75%

Note: Calculation unnecessary if Total FTE is 6,000 or more, and 2,000 & less.

STEP 3

Calculate maximum expense limit AMOUNTS for Board and System Administration expenses

Maximum Expense Limit percentage (Step 2) x Base Total (Step 1)		$2,228,389
Considerations for Charter Schools and Small Boards:		
If Charter School, enter 51,000	0	$0
If Francophone Board, enter 400,000	0	$0
(If none of these considerations apply, leave the above cells blank)		
MAXIMUM EXPENSE LIMIT		**$2,228,389**

STEP 4

Compare maximum expense limit amounts calculated in Step 3 to actual expenses (from Schedule A)

Actual Board Governance & System Administration expenses	$2,082,435
PLUS: transfers to Restricted - Operating (Board/System Administration)	$0
LESS: transfers from Restricted - Operating (Board/System Administration)	-$74,580
TOTAL BOARD GOVERNANCE & SYSTEM ADMINISTRATION EXPENSES	$2,007,855
Maximum Expense Limit for Board & System Administration (Step 3)	$2,228,389
ACTUAL EXPENSES - OVER(UNDER) MAXIMUM EXPENSE LIMIT	-$220,534

School Jurisdiction Code: 54

SCHEDULE E to the AFS
SOURCE & APPLICATION OF SCHOOL GENERATED FUNDS (SGF) - 2003-2004

Unexpended SGF - Opening Balance August 31, 2003 (Note 1)		$842,824
Source of School Generated Funds:		
Total School Generated Funds for the year (Note 2)	$1,520,618	
Less: SGF - related cost recoveries (Note 3)	$1,483,146	
- capitalized at the District level (Note 4)	$0	
Net Total	$37,472	
Plus: Donations Received (Note 5)	$73,732	
Equals: Net Additions to SGF		$111,204
Net SGF Available for discretionary spending		$954,028
Net SGF revenue and Net SGF expense - per schedule A, lines 28 and 39		
Net expended SGF for discretionary purposes (Note 6)		$169,689
Unexpended SGF - Closing Balance August 31, 2004		$784,339

Note 1 Input "(Restated)" beside Balance at August 31, 2003 where not taken from the finalized 2002-2003 Audited Financial Statements.

Note 2 Excludes fees collected pursuant to Section 60(2)(j) of the School Act (e.g. instruction materials and technology fees determined by board policy or resolution). Includes any SURPLUS amount of current year cafeteria operating revenues over related cafeteria operating expenses. This total SGF for the year is the amount used to calculate the Schedule D administrative cap.

Note 3 These are the expenses (a) incurred in generating SGF (e.g. fundraising expenses, printing of tickets, payment to DJ at school dance; staffing and supplies for a dinner; raffle prizes; supplies for a car wash; book fair purchases; meals for lunch program), or (b) collected and purchases; meals for lunch program), or (b) collected and disbursed for the benefit of individual students (e.g. cost of field trips for student activities not leading to CEU's). Monies collected for CEU-related activities are not SGF, they are recorded as instruction resource fees. As only the current year's "surplus" amount of school cafeteria operating revenues over school cafeteria operating expenses is considered a source of total school generated funds for the year, cafeteria expenses/COGS are NOT included in SGF-related cost recoveries.

Note 4 All capital items purchased with SGF should be purchased through the District office. As with related cost recoveries, they are not included in the net SGF amounts and should be subtracted out of gross SGF.

Note 5 Donations are restricted to cash; gifts in kind are treated as board assets, not SGF. Amounts are net of related expenses.

Note 6 Only SGF expended for discretionary purposes are recorded as revenue and expense; unexpended funds are carried forward on the balance sheet to the succeeding year. Any capital items purchased with SGF should be treated in a similar manner as a SGF-related cost recovery and subtracted out of gross SGF.

School Jurisdiction Code: 54

SCHEDULE F to the AFS
Operations and Maintenance Program 2003-2004 Expenses

EXPENSES	Custodial	Maintenance	Utilities and Telecommunications	Expensed IMP & Portable Relocations	Facility Planning & Operations Administration	SUB-TOTAL Operations & Maintenance	Supported Capital & Debt Services	TOTAL Operations and Maintenance
Uncertificated salaries and wages	$557,838	$527,346	$0	$0	$193,712	$1,278,896		$1,278,896
Uncertificated benefits	$137,777	$110,974	$0	$0	$41,774	$290,525		$290,525
Sub-total Remuneration	$695,615	$638,320	$0	$0	$235,486	$1,569,421		$1,569,421
Contracted Services	$1,019,409	$496,970	$0	$0	$3,415	$1,519,794		$1,519,794
Supplies	$126,406	$298,514	$0	$541,484	$76,848	$1,043,252		$1,043,252
Electricity			$851,018			$851,018		$851,018
Natural Gas/Heating Fuel			$636,764			$636,764		$636,764
Sewer and Water			$97,265			$97,265		$97,265
Telecommunications			$3,823			$3,823		$3,823
Insurance					$149,802	$149,802		$149,802
Net school generated funds	$0	$0	$0	$0	$0	$0		$0
Amortization of capital assets								
Supported							$1,464,920	$1,464,920
Unsupported						$30,350		$30,350
Total Amortization						$30,350	$1,464,920	$1,495,270
Interest on capital debt								
Supported							$432,986	$432,986
Unsupported				$0		$0		$0
Other interest charges						$0		$0
Losses on disposal of capital assets						$0		$0
Cost recoveries & transfers						($59,387)		($59,387)
TOTAL EXPENSES	$1,841,430	$1,433,804	$1,588,870	$541,484	$465,551	$5,842,102	$1,897,906	$7,740,008
SQUARE METRES								
School Buildings								0.0
Non School Buildings								0.0
STAFF FTE'S (Completion Optional for 2003/2004)								
Board Employed	0.0	0.0						
Contracted Services	0.0	0.0						

Notes:

Custodial:	All expenses related to activities undertaken to keep the school environment clean and safe
Maintenance:	All expenses associated with the repair, replacement and minor construction of buildings, grounds and equipment components. This includes regular and preventative maintenance undertaken to ensure components reach or exceed their life cycle and the repair of broken components
Utilities & Telecommunications:	All expenses related to electricity, natural gas and other heating fuels, sewer and water, and all forms of telecommunications
Expensed IMP & Portable Relocations:	All expenses associated with non-capital activites related to Infrastructure Maintenance Program (IMP) and portable relocations
Facility Planning & Operations Maintenance:	All expenses related to the administration of operations and maintenance including (but not limited to) contract administration, clerical functions, negotiations, supervision of employees and contractors, administration of capital projects (including new schools, IMP (BQRP), and portable relocations), administration of joint-use agreements, and all expenses related to ensuring compliance with health and safety standards, codes and government regulations
Supported Capital & Debt Services:	All expenses related to supported capital assets amortization and interest on supported capital debt

School Jurisdiction Code: 54

SCHEDULE G to the AFS
DISCLOSURE OF SALARIES AND BENEFITS - 2003-200
(SECTION 148.1 OF THE SCHOOL ACT)

		FTE's	Remuneration	Benefits	Allowances	Performance Bonuses	ERIP's / Other	Total	Expenses
Chairperson:									
Name	Karin Engen	1.0	$21,915	$4,374	$0			$26,289	$12,159
Name		0.0	$0	$0	$0			$0	$0
Other Board Members:									
Name	Anita Gillard	1.0	$16,413	$4,192	$0			$20,605	$5,529
Name	Bob Huff	1.0	$17,112	$394	$0			$17,506	$8,342
Name	Kelly Lowry	1.0	$12,123	$2,462	$0			$14,585	$3,716
Name	Karen Read	1.0	$11,331	$498	$0			$11,829	$3,626
Name	Harry Wit	1.0	$16,926	$1,208	$0			$18,134	$10,119
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Name		0.0	$0	$0	$0			$0	$0
Subtotal		*6.0*	*$95,820*	*$13,128*	*$0*			*$108,948*	*$43,491*
Superintendent	Larry Jacobs	1.0	$122,400	$12,313	$0	$0	$0	$134,713	$4,417
Superintendent		0.0	$0	$0	$0	$0	$0	$0	$0
Secretary/Treasurer	Joseph Henderson	1.0	$106,498	$16,723	$0	$0	$0	$123,221	$2,536
Secretary/Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Secretary		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Board Treasurer		0.0	$0	$0	$0	$0	$0	$0	$0
Certificated Salaries		465.4	$30,919,471	$3,313,401	$0	$0	$0	$34,232,872	
Uncertificated Salaries & Wages		360.8	$11,116,298	$2,385,688	$0	$0	$0	$13,501,986	
TOTALS			$42,360,487	$5,741,253	$0	$0	$0	$48,101,740	

Note: Employed or contracted out. Please refer to completion information on page 15.

Please explain below (on rows 49-51) where FTE is not equal to 1, on positions contracted out or shared, and for any reporting under ERIP's/Other (i.e retiring allowance, vacation payout, partial year payment for 2nd individual)